

FBI
ANNUAL • • • **FISCAL YEAR 1968**

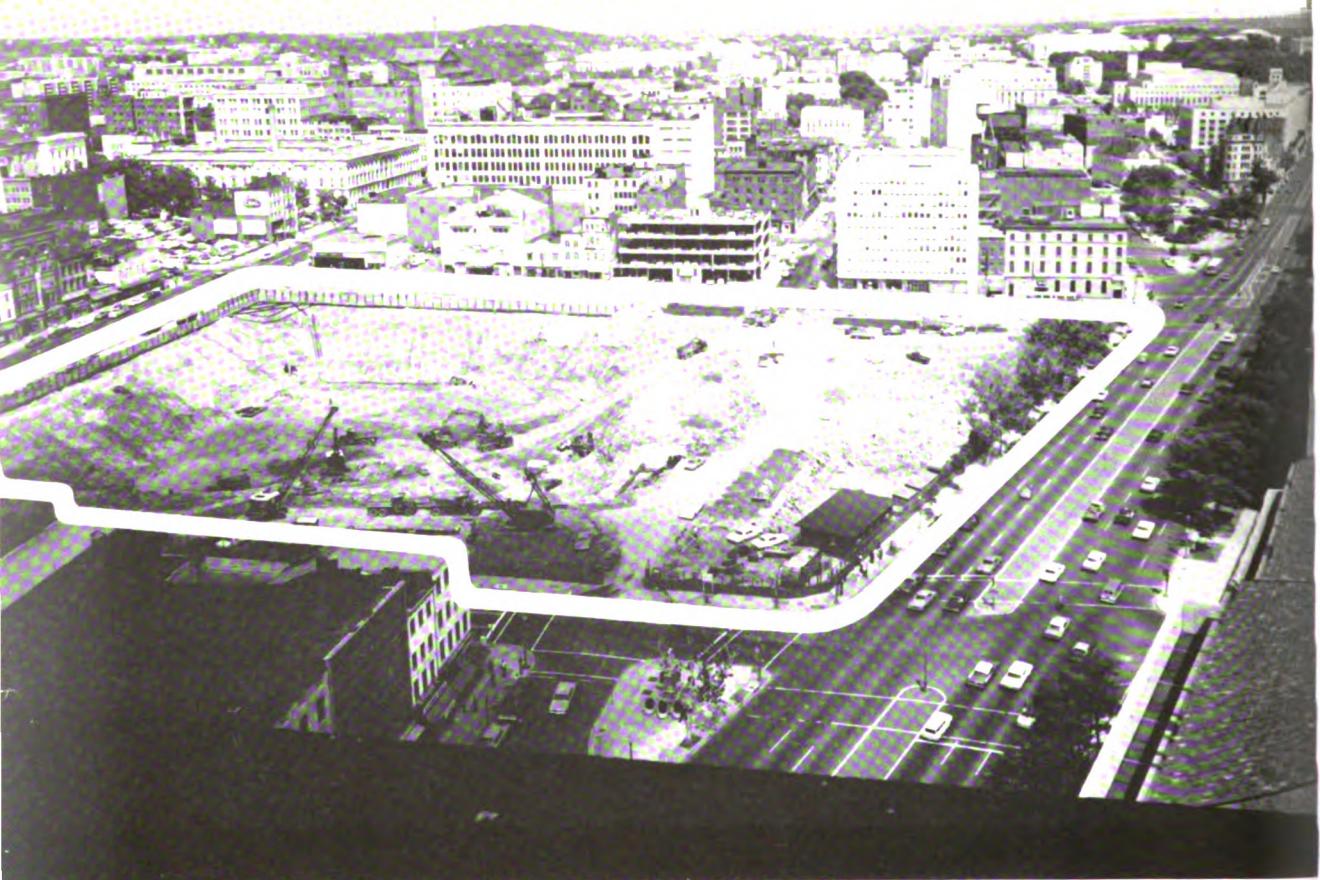
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ort from the Office of John Edgar Hoover, Director
ederal Bureau of Investigation, U.S. Department of Justice

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Progress Report



New FBI Headquarters Construction

Excavation and preliminary construction work (inset) on the new FBI Building moved ahead rapidly at the close of the fiscal year. To be situated across Pennsylvania Avenue from the Department of Justice Building between Ninth and Tenth Streets, Washington, D. C., the new structure (see inside back cover) is currently planned for completion by early 1973.

Introduction

THE FISCAL YEAR 1968 was one of great challenge and accomplishment for the FBI. In spite of severe burdens arising from the increasing onslaught of crime and unconscionable acts of hate that spewed waves of violence throughout the Nation, FBI performance matched its responsibilities. In many important areas of its jurisdiction, FBI effort surmounted impressive goals and established new records of achievement.

More than 13,000 convictions which led to the imposition of sentences totaling nearly 45,000 years attested to the skill and vigor of FBI investigative response to violations within its jurisdiction. Of those persons brought to trial in FBI cases, more than 97 percent were convicted and 8 of every 10 of those pleaded guilty to the charges against them.

Surpassing any previous fiscal period in its 60-year history, FBI investigations accounted for nearly 303 million dollars returned to the Government in fines, savings, and recoveries. This was an average of \$1.55 for every dollar appropriated for FBI operations in the fiscal year.

The organized crime syndicate — La Cosa Nostra — and its affiliate underworld organizations felt the sharp thrust of FBI investigative efforts which netted record convictions of 281 hoodlum-vice figures and added to a growing backlog of more than 675 persons awaiting Federal prosecution on charges stemming from the Bureau's drive against organized crime. FBI criminal intelligence sources developed approximately 300,000 items of information which enabled local, state, and other Federal law enforcement agencies to execute more than 790 raids which resulted in the arrests of 4,100 persons, primarily on vice and gambling charges.

Led by the unprecedented capture of 31 notorious felons on the "Ten Most Wanted Fugitives" list, FBI probes brought about the location of an all-time high of 18,881 fugitives to post a substantial 19 percent gain over the previous fiscal year.

Record criminal assaults against financial institutions led to 1,105 convictions for Federal bank robbery, burglary, and larceny violations. During the course of FBI investigations over 22,000 stolen cars were recovered.

Highlighted by a relentless FBI search which with outstanding international police cooperation traced James Earl Ray, the accused assassin of Dr. Martin Luther King, Jr., to London, England, the Bureau's inquiries into reported violations of the Federal civil rights laws formed a major area of FBI commitments.

Militant and growing New Left forces, inflated with success over their leadership role in the student rebellions at leading universities, held workshops in sabotage last June at the National Convention of the Students for a Democratic Society – a forerunner in this nihilist movement.

Continuing its slavish loyalty to the Soviet Union, the Communist Party, USA, mounted concerted opposition to United States foreign commitments and, at the risk of considerable unrest among rank-and-file Party members who held other sympathies, blindly followed Russian interests in the continuing Mid-East crisis.

FBI assistance to the law enforcement profession reached more than 184,000 officers throughout the Nation in a record 6,074 police training schools in which Bureau instructors participated during the fiscal year. This was in addition to hundreds of law enforcement conferences conducted by the Bureau as well as the operation of the FBI National Academy which since 1935 has graduated 5,335 select police career officers in its executive-building program.

Meeting the expanding and complex needs of modern law enforcement, the FBI Laboratory and FBI Identification Divisions handled record volumes of requests for examinations and fingerprint data – much of which was for local, state, and other Federal law enforcement agencies. These valuable arms to FBI investigative capability also provided expert scientific personnel who served as instructors in all areas of the Bureau's police training programs.

With rapid strides toward its goal as an index to vital law enforcement data for a 50-state high-speed police communications network, the FBI National Crime Information Center had 61 control terminals in 42 states at the close of the fiscal year. Since its founding in January, 1967, the Center's electronic computer has compiled over one-half million records which have, with increasing frequency, caused the solution of a serious crime or the apprehension of a dangerous criminal by flashing, within seconds, essential data to law enforcement agencies throughout the land.

While FBI accomplishments measure supervisory and investigative skill, they also gauge the fidelity, bravery, and integrity of the nearly 16,000 employees who at the end of the year held a variety of assignments at Bureau Headquarters, the FBI's 58 Field Offices, and 12 liaison posts in major foreign countries.



CRIMINAL INVESTIGATIONS

Combating Crime

The 1968 fiscal year was a period of harsh, unremitting challenge for law enforcement. It was not only a year of infectious increases in crime but a time that clearly etched the menacing extent of this social disease by explosive acts of violence that regularly beset the Nation.

With over 3 3/4 million serious crimes reported during 1967, lawlessness reached new peaks of intensity to substantially outpace population in rate of growth in recent years. Murder, arson, and frenzied looting tore at the hearts of the Nation's cities. Student anarchy swept through the halls of many celebrated American universities pledged to the principles of reason and debate. Assassins' bullets stunned the country by cutting down the lives of the prominent and obscure alike.

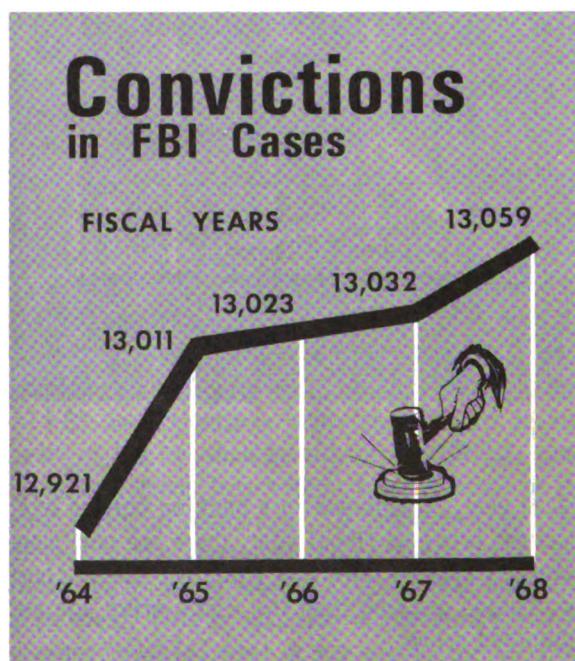
In this milieu of widespread crime and shocking acts of violence, FBI accomplishments kept pace with its responsibilities. More than 18,800 fugitives were located in the course of FBI investigations during the year, a 19 percent increase over the previous fiscal period. Of these apprehensions, an unprecedented 31 notorious felons were located under the FBI's "Ten Most Wanted Fugitive" program which was highlighted by the location in London, England, of accused assassin James Earl Ray who in his flight assumed many identities which concealed him for a time in a number of other foreign countries.

For the thirteenth consecutive year, all prior records were surpassed with the recovery of some 22,000 automobiles in the course of FBI investigations.

Topping any previous fiscal period in its 60-year history, FBI investigations accounted for nearly 303 million dollars in fines, savings, and recoveries, or an average return to the Government of \$1.55 for every dollar appropriated for FBI operations in the year. Again exceeding the previous fiscal year, FBI investigative activity resulted in more than 13,000 convictions and actual, suspended, and probationary sentences of

close to 45,000 years for those found guilty of violations within FBI jurisdiction.

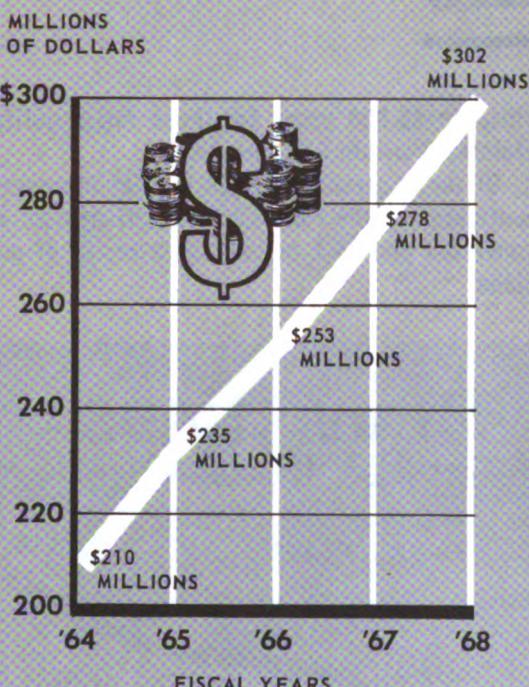
Of those persons brought to trial in cases investigated by the FBI, more than 97 percent were convicted and 85.7 percent as a result of guilty pleas.



ORGANIZED CRIME

FBI investigations brought increasing disruption and imprisonment to the organized criminal element during the past fiscal year. For the FBI it was a year of striking accomplishment against the bulwark of the hoodlum criminal conspiracy — La Cosa Nostra. Clearly evidencing ever deeper penetration into the organized crime network in the past few years, FBI probes netted the convictions of 281 hoodlum, gambling, and vice figures for violations within the Bureau's jurisdiction — a dramatic increase over the previous record total of 197 convicted during the preceding

FINES, SAVINGS AND RECOVERIES IN FBI CASES



fiscal year. Coupled with a backlog carried over from the previous fiscal year, there are now more than 675 persons awaiting trial in Federal court on charges growing from the FBI's drive against organized crime.

Typical of the severe blows dealt the hoodlum underworld by FBI investigations was the conviction of alleged La Cosa Nostra member Vincent Potenza, who in November, 1967, pleaded guilty to Federal charges arising out of the theft of more than \$400,000 worth of traveler's checks from a New York City airport.

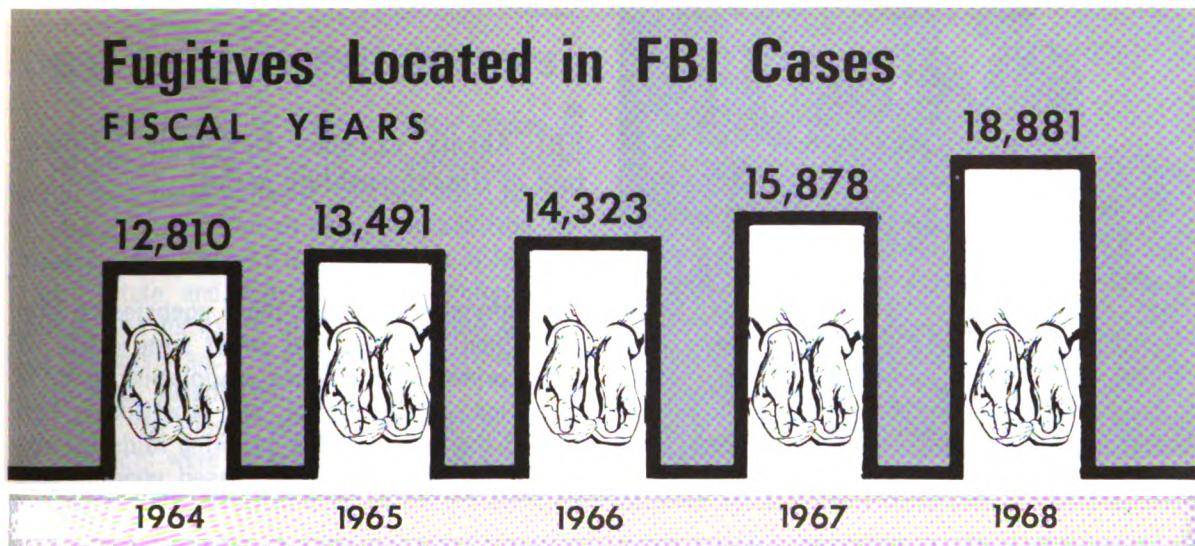
In December, 1967, at New York City, internal maneuvering to name a successor to replace deceased La Cosa Nostra "Commission" member Thomas Luchese met severe setbacks with the convictions, on charges arising from FBI investigations, of three of organized crime's top contenders to this infamous Board of Directors of the criminal syndicate. Rackets boss John Dioguardi

was fined \$10,000 and sentenced to five years for his participation in a "planned bankruptcy" scheme in which some 47 creditors lost approximately \$129,000. Labor racketeer Antonio Corallo, along with a former New York City Commissioner and four other individuals, was arrested on interstate bribery and conspiracy charges stemming from an \$800,000 contract issued for the cleaning of a water reservoir. These arrests led to the conviction of Corallo and two of the other accused, as well as a guilty plea from the former City Commissioner, in June, 1968. The close of 1967 also was witness to the sentencing of long-time underworld leader Vincent Rao who received a five-year prison term for having perjured himself in testimony before a Federal grand jury during 1965.

In January, 1968, reported Philadelphia La Cosa Nostra "captain" Pasquale Massi was convicted and subsequently sentenced to prison for attempting to bribe a witness and committing a crime on a Government reservation in Arkansas.

Hoodlum Joseph Riso received an eight-year Federal prison term following his conviction at Chicago, Illinois, in February, 1968, for possession of a \$350,000 painting which had been stolen during October, 1966, from St. Joseph's College at Rensselaer, Indiana.

Raymond Patriarca — who has been identified before a United States Senate Subcommittee as the head of La Cosa Nostra in New England — was convicted in March, 1968, along with two associates, of conspiring to violate Federal racketeering laws by utilizing interstate commerce facilities with intent to control regional gambling by force and violence, including murder. All three were later fined and sentenced to five-year prison terms. That same month, Samuel Rizzo DeCavalcante, alleged head of La Cosa Nostra "family" at Elizabeth, New Jersey, was arrested with two associates by FBI Agents on extortion charges. And, on the same day of DeCavalcante's arrest, alleged La Cosa Nostra member Frank Moccardi was apprehended in connection with a series of hijackings in the New York City area, during the course of which approximately \$1,000,000 worth of furs had been stolen.



Carmine Persico, reported La Cosa Nostra "captain," and three associates were convicted during May, 1968, in New York City for the hijacking of \$15,000 worth of textiles from a Brooklyn truck terminal. That same month in Los Angeles, California, rackets boss John Roselli was convicted of violating various alien registration laws, and at the close of the fiscal year was standing trial in United States District Court for his alleged participation in crooked, high-stakes gambling games at the Beverly Hills Friars Club.

June, 1968, was a harvest month of convictions of organized crime stalwarts. Reported La Cosa Nostra member Salvatore DeRose was convicted in Chicago, Illinois, and received a seven-year prison term following his arrest with two accomplices by FBI Agents for the kidnaping of a truck driver and the theft of his truck containing a shipment valued at a half million dollars. Maurice Friedman, former business partner of one of Chicago's most infamous gang bosses, was convicted of violating the Theft from Interstate Shipment Act after FBI Agents recovered more than \$1,000,000 worth of stolen drugs, medical supplies, television sets, and electrical appliances at the time of his arrest with another confederate. In San Diego, alleged La Cosa Nostra trucking-company owner Aladena Fratiano — a

long with his wife and firm — was convicted of conspiring to violate minimum wage standards on Federal highway construction and causing the prime contractor to issue false statements concerning certified payrolls.

FBI investigations also struck hard at the heart of the hoodlum syndicate, the illegal gambling operations from which it draws much of its vast financial resources. Of those persons convicted in the organized crime field during the fiscal year, many were for interstate gambling activities. This is also true of the more than 675 persons awaiting trial at the end of the year for offenses related to organized crime.

Notable among these thrusts at the underworld's source of monetary nourishment was the arrest by FBI Agents of Chicago gambling czar Ernest Sansone and seven associates. These apprehensions in December, 1967, disrupted an interstate race-wire service and had reportedly crippled La Cosa Nostra-backed numbers operations as far away as Detroit, Michigan.

In January, 1968, simultaneous raids were conducted by FBI Agents in four Indiana cities, and 20 members of an interstate gambling network were arrested.

Two days after these raids, seven members of another group were convicted in United States



FBI Agents examine dice table following raid of illegal gambling parlor.

District Court at Biloxi, Mississippi, on charges of being involved in the interstate transportation of wagering paraphernalia. An eighth member of the group was murdered in gangland style immediately prior to the commencement of the trial last December.

Special Agents assigned to Buffalo, Cleveland, and New Orleans FBI Offices conducted simultaneous raids in February, 1968, and arrested 16 persons engaged in an extensive wagering and "layoff" operation ranging from the Great Lakes to the Gulf of Mexico and financed, at least in part, by La Cosa Nostra funds.

Last May, Baton Rouge, Louisiana, barber Sam Graziano pleaded guilty to violating the Sports Bribery Statute. Two of his accomplices were convicted in Federal court on similar charges. All three had been arrested for their participation in a plot to pay members of the Louisiana State University football team to influence the outcome of certain games in which they had been scheduled to play. One of the defendants is the brother of national gambling figure Eugene A. Nolan, who was himself convicted last year in an FBI-investigated gambling case.

Cooperation among law enforcement is vital to a concerted and effective assault on organized crime. In addition to its own investigations, the FBI also met its responsibilities to others in the profession. Approximately 300,000 items of criminal intelligence information were disseminated by the FBI to other Federal, state, and local law enforcement agencies during fiscal year 1968.

The information enabled those agencies to stage more than 790 raids and arrest some 4,100 persons, primarily on charges of violating gambling, narcotics, illicit alcohol, and prostitution laws. During the course of the gambling raids by other law enforcement agencies, based upon information originally developed by the FBI, approximately \$2,000,000 worth of wagering paraphernalia and currency was seized, and dozens of bookmaking, casino, and policy operations — handling millions of dollars a year in bets — were broken up.

In the Hot Springs, Arkansas, area, for example, State Police utilized data supplied by the FBI to conduct a series of raids last October and destroy an estimated \$400,000 worth of slot machines.

In Buffalo, New York, an FBI investigation led to the smashing of a major La Cosa Nostra burglary ring last December and the joint recovery of some \$300,000 in stolen property by the Bureau and local authorities. Following testimony in this matter by a Bureau Agent before a grand jury, four La Cosa Nostra members were arrested by local authorities for their participation in the ring's activities.

In New York City, information supplied by the FBI last November enabled police to raid a fast-action card game handling between \$20,000 and \$30,000 a night in wagers. Among the 38 persons arrested were 14 known La Cosa Nostra members and four suspected members.

In the Detroit area, Michigan State Police used information from an FBI source to raid a major casino-type operation on the evening of March 4, 1968, and arrest 130 persons, including two reported La Cosa Nostra officials (Anthony and Vito Giacalone), three rank-and-file members, and 14 notorious Ohio and Michigan gamblers known to be close to the organization.

CRIMINAL INFORMANTS

Criminal informants are foundation stones in the building of productive investigations. Information from these valuable sources often results in the solution of Bureau cases. In addition, information obtained by FBI informants, of interest to local, state, and other Federal law enforcement agencies, is furnished to the appropriate department for assistance in solving many crimes outside Bureau jurisdiction.

During the fiscal year, 4,711 FBI fugitives and subjects were arrested as a result of information furnished by informants. This includes 12 fugitives who were listed in the "Ten Most Wanted Fugitives" program. Also, 1,457 other Bureau subjects who were wanted for questioning were located as a result of information furnished by criminal informants. Through information disseminated to other agencies as a result of intelligence developed by FBI informants, 468 individuals were arrested by other Federal agencies and 6,063 individuals taken into custody by local and state law enforcement agencies. Money and merchandise valued at \$13,467,812 were recovered in Bureau cases through the efforts of informants. Other Federal agencies had recoveries of \$24,327,875 and local and state law enforcement agencies had recoveries of \$4,753,167 which were attributable to FBI criminal informants.

MAJOR CRIMINAL INVESTIGATIONS

FBI jurisdiction is carefully defined and limited by law. It covers more than 180 investigative matters. Some of the major categories of offenses investigated by the FBI and the accomplishments produced in each during the 1968 fiscal year follow:

Anti-Racketeering and Labor-Management Acts

Investigations relating to these acts generally concern crimes committed in connection with the activities of labor unions, businessmen, and their

representatives, as well as the operations of racketeers.

Anti-Racketeering-Hobbs Act cases pertain to extortion or robbery induced by threats, force or violence where interstate commerce is involved. These cases involve schemes of labor representatives, as well as racketeers, to extort money or property by means of threats to disrupt business or by violence and injury to persons.

In the Labor Management Relations Act of 1947 cases, investigations are conducted with respect to alleged illegal payments made by businessmen directly or indirectly to representatives of labor unions. Penalties for violations may be imposed on the businessmen who make the payments, labor representatives who receive the payments, and any middlemen who relay payments or are involved in the matter.

The Labor-Management Reporting and Disclosure Act of 1959 contains numerous criminal provisions under FBI investigative jurisdiction. The principal type of violation under this law pertains to embezzlement of union funds by dishonest union officials and employees of unions.

The Welfare and Pension Plans Disclosure Act includes criminal penalties for embezzlement of funds from such plans, kickbacks to parties connected with the plans, and false statements made in documents filed by the plans with the Department of Labor, all of which are under FBI investigative jurisdiction.

Cases have been developed in this category wherein organized crime figures demanded payoffs from businessmen, participated in siphoning off union funds, and conspired in payments of kickbacks to influence improper operations of union welfare and pension plans.

In a recent case, John Joseph Imburgia and Rene James Piccarreto, both associated with hoodlum elements at Rochester, New York, were arrested by FBI Agents in April, 1968, on charges of violating the Hobbs Act. Both individuals were awaiting trial at the end of this fiscal year. They were charged with having attempted to obtain payoffs of substantial sums from officials of a Buffalo, New York, road construction firm to insure labor peace with a Rochester Teamsters

union.

During fiscal year 1968, as a result of FBI investigations, there were 8 convictions under the Anti-Racketeering-Hobbs Act, 2 under the Labor Management Relations Act, and 37 under the Labor-Management Reporting and Disclosure Act. This represents a total of 47 convictions in these anti-racketeering and labor-management cases.

Antitrust

The FBI, at the request of the Department of Justice, investigates alleged violations of the antitrust laws. These investigations relate to monopolies and restraints of trade in interstate commerce. The Department of Justice may bring either criminal or civil proceedings, or both, against the persons or corporations responsible for such violations.

Antitrust investigations are usually extensive and complicated and frequently involve many corporations located throughout the United States. In many instances these cases require simultaneous handling in a great many field divisions of the Bureau.

During fiscal year 1968, our investigations in those matters resulted in 101 convictions, 53 more than the previous period. These investigations also accounted for \$3,221,485 in recoveries and the imposition of fines totaling \$1,007,601.

Assaulting or Killing a Federal Officer

It is a Federal violation within the jurisdiction of the FBI to kill, assault, or interfere with certain designated Federal employees while in the performance of or as a result of executing their official duties.

The assaults and killings of Federal officers increased significantly during fiscal year 1968. A total of 71 convictions were recorded in this category during the fiscal year, an increase of almost 58 percent over the preceding period. Actual, suspended, and probationary sentences resulting from FBI investigations of this offense

totaled 252 years, 7 months, and 18 days. Four life sentences were imposed and 18 fugitives were located.

Bank Robberies, Burglaries, and Larcenies

Violations of the Federal Bank Robbery and Incidental Crimes Statute continued at a bewildering pace throughout the United States during fiscal year 1968. An all-time high of 2,558 violations was reported, a sharp increase of 299 over the previous fiscal year. These violations included 1,769 robberies, 651 burglaries, and 138 larcenies.

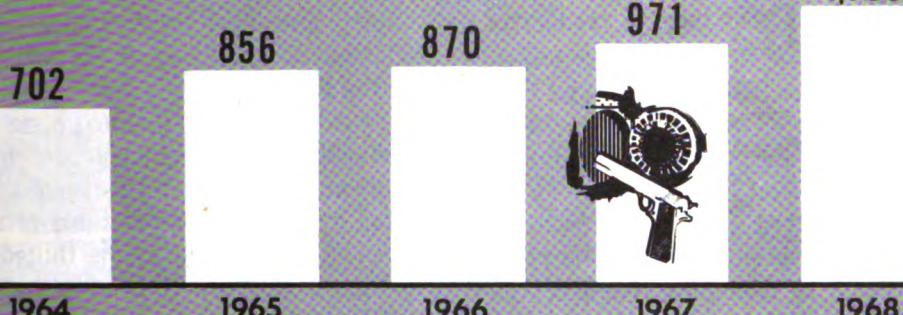
Convictions recorded in cases investigated by the FBI under this statute also reached another all-time high of 1,105 as compared with the previous high of 971 in fiscal year 1967. Many of those convicted were responsible for more than one offense and prosecution of many of these offenses frequently carries over from one fiscal period to another. Actual, suspended, and probationary sentences resulting from FBI investigations of these violations totaled more than 12,939 years. Fines, savings, and recoveries amounted to \$2,791,469 in these cases and 519 fugitives were located during FBI investigations.

Phoenix FBI Agents ponder commemorative coins found among recovered bank robbery loot.



Federal Bank Robbery Statute Convictions

FISCAL YEARS



One bizarre bank robbery plan investigated by the FBI during the fiscal year proposed to blow up a power plant and several buildings in the Seattle, Washington, area as a diversionary tactic while the conspirators robbed several banks. The stated purpose of this plan was to raise money for the Minutemen, a secret, militant, and fanatical anticommunist organization. Several of its members were found guilty in United States District Court, Spokane, Washington, in June, 1968, of conspiracy to violate the Federal Bank Robbery Statute. Two other Minutemen have been charged but had not been tried at the end of the fiscal year.

Experience has indicated that banks with little or no police protection or protective devices are particularly vulnerable to criminal attack. Congress has now enacted legislation (Bank Protection Act of 1968) which requires banking institutions to provide protective devices—measures long recommended by the FBI—as prescribed by the responsible supervisory agencies. When implemented, it is hoped this Act will serve as an effective deterrent to the rising assaults against financial institutions.

Bribery and Conflict of Interest

Bribery and Conflict of Interest violations are offenses that affect the essential operations of

our Government and the proper and efficient functioning of its departments and agencies. They are, therefore, deemed to be among the most important criminal cases within the jurisdiction of the FBI. It is recognized that if Federal employees can be corrupted or compromised by payments so as to discharge their official responsibilities in other than an ethical manner or if their interests conflict with those of the United States the efficient functioning of Government instrumentalities will suffer.

Allegations that employees of the Department of Agriculture were being bribed to falsify the grading of cotton to enable companies to purchase that cotton from the Government at a reduced price were investigated by the FBI and resulted during the fiscal period in the conviction of ten individuals in this scheme. FBI investigations of these cases during the 1968 fiscal year resulted in a total of 13 convictions, as well as fines, savings, and recoveries amounting to \$767,127.

Civil Rights

The role of the FBI in the field of civil rights has constantly expanded in the past several years. The Congress enacted major civil rights legislation in 1964, 1965 and 1968, all of which greatly added to the investigative responsibilities of the FBI.

The protection of the civil rights of every citizen is an essential principle in a democratic society. Since World War II, there have been an increased awareness of individual rights and an ever-increasing demand that they be recognized and honored by both Government and society.

It is the duty of the FBI to investigate complaints of deprivation of rights and privileges secured to the individual by the Constitution or provided by Congressional legislation. It is the responsibility of the Civil Rights Division of the Department of Justice, based on the results of the FBI investigations, to determine if prosecutive action under the civil rights statutes is warranted.

Widespread public interest was generated by the FBI civil rights investigation into the assassination of Dr. Martin Luther King, Jr., in April, 1968. The entire facilities of the FBI were committed to this investigation from the outset and within five days the man then known as Eric S. Galt was developed as a prime suspect. Within another week a photograph of this suspect had been obtained and the Attorney General considered sufficient evidence had been developed to warrant Federal process under a civil rights statute. Three days later, from a check of latent fingerprints against those of white male fugitives for whom "wanted" notices had been placed in the files of the FBI Identification Division, James Earl Ray was determined to be the true identity of Eric S. Galt. At the request of the FBI, Canadian authorities determined that a Canadian passport had been issued to Ray in the name of Ramon George Sneyd, and on June 8, 1968, Ray was arrested by Scotland Yard when he presented the Sneyd passport to travel from London to Brussels. At the end of the fiscal year, extradition proceedings were in progress to remove Ray to the United States.

The investigation to identify and locate James Earl Ray is a splendid example of international police cooperation. In addition to the extensive investigation conducted by the FBI in the United States, specific inquiries were made in more than a dozen foreign countries through FBI liaison representatives. The arrest

of James Earl Ray was the direct result of vigorous investigation, conducted by Canadian and British authorities at the request of the FBI.

Other prominent civil rights investigations conducted or concluded in the 1968 fiscal year were the following:

Beginning in October, 1967, a meticulous FBI investigation was conducted concerning alleged fraudulent voter registrations in Lake County, Indiana. As a result of this probe, an order was entered in April, 1968, by the United States District Court, Northern District of Indiana, requiring the Lake County Registration Board to purge the names of 2,802 registrants.

Inquiry into the operation of a so-called voluntary fund by Pipefitters Local #562, St. Louis, Missouri, culminated in the indictment in May, 1968, of three officers of this local on a charge of conspiring to violate United States laws which forbid a corporation or labor organization to make a contribution or expenditure in connection with a Federal election. Trial in this case was scheduled for the fall of 1968.

Alleged irregularities regarding absentee ballots in connection with the general election in Lee County, Virginia, in November, 1966, drew FBI investigative attention which in January, 1968, resulted in indictments against ten subjects for conspiring to violate election laws, and separate indictments against two other subjects for vote buying. Seven of those indicted were local officials. One defendant died in June, 1968, while seven others were found guilty and two were acquitted in that same month.

Three Detroit, Michigan, Police Department officers and a private guard were indicted by a Federal Grand Jury in May, 1968, on a charge of conspiracy to violate the civil rights of ten persons at the Algiers Motel Annex, Detroit, in July, 1967, where three of the victims were killed. These indictments resulted from an FBI investigation arising out of the July, 1967, riots in Detroit.

In January, 1966, Vernon Ferdinand Dahmer, Sr., a past president of the National Association



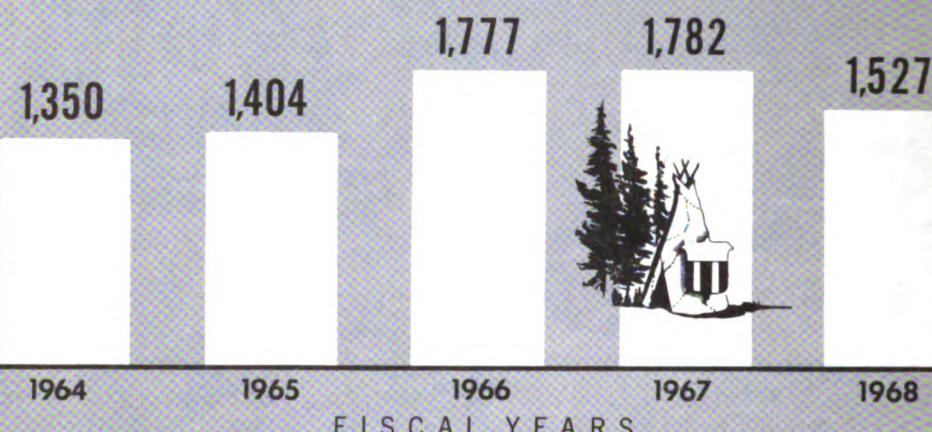
■ **Bombed Mississippi residence led to FBI investigation under Civil Rights Act of 1960.**

for the Advancement of Colored People in Forrest County, Mississippi, who was active in voter registration matters, was murdered. This killing was investigated by the FBI under the Voting Rights Act of 1965, and resulted in the indictment of 17 individuals for this crime. Federal trial had not been scheduled at the close of the fiscal period. However, as a result of information furnished in the Dahmer Case by the FBI to local authorities, 13 individuals were indicted on State charges of arson or murder and arson in January, 1968. One defendant in both the Federal and State cases who was tried on a local murder and arson charge was found guilty and sentenced to life imprisonment in March, 1968. The following May another defendant was given a life sentence in local court for murder and, in addition, received a ten-year sentence for arson. The State trial of another defendant on a murder and arson charge ended with a hung jury. State prosecution of other defendants is continuing.

Following an exhaustive FBI investigation,

seven men were convicted in October, 1967, of conspiring to violate the constitutional rights of three civil rights workers who were murdered in Mississippi during 1964. Those convicted include Cecil Price, a deputy sheriff in Neshoba County, Mississippi, and Sam Holloway Bowers, Jr., Imperial Wizard of the White Knights of the Ku Klux Klan of Mississippi. Subsequently, Cecil Price was sentenced to serve six years; Sam Holloway Bowers, Jr., was sentenced to serve ten years; and five others who were convicted received sentences ranging from three to ten years' imprisonment. The jury was unable to reach a verdict concerning three defendants who are to be retried. The case against an additional defendant who testified for the Government was handled in U. S. District Court at Atlanta, Georgia, where, after entering a plea of guilty in October, 1967, he was sentenced to four years' imprisonment.

Crimes on Government and Indian Reservations Convictions



Crimes on Government and Indian Reservations

In those areas where the Federal Government has either exclusive or concurrent jurisdiction, the FBI handles the investigation of major crimes. The FBI also handles certain crimes on Indian reservations where this jurisdiction has not been granted to the states. Many of the crimes investigated by the FBI on Government and Indian reservations involve serious offenses such as murder, manslaughter, rape, and armed robbery.

During fiscal year 1968, 1,527 convictions were recorded as a result of FBI investigation of this category of offenses. Actual, suspended and probationary sentences imposed on offenders came to more than 2,383 years, and four life sentences. Fines, savings and recoveries totaling \$166,541 and the location of 401 fugitives were achieved through FBI investigations.

Extortion

A threat to kill, kidnap or injure a person or destroy his property, or a demand for ransom for the release of a kidnaped person sent through the United States mail or transmitted interstate by

any means whatsoever, is a violation of the Federal Extortion Statute within the investigative jurisdiction of the FBI.

During fiscal year 1968, 31 convictions resulted from violations of this statute with actual, suspended, and probationary sentences imposed exceeding 115 years. Fifty-one fugitives were apprehended during FBI investigations of this offense.

Typical of the extortion cases handled by the FBI during the year was one involving the receipt by a businessman in Houston, Texas, of several letters threatening harm to him and his family if \$25,000 was not paid to the extortionists. Several days before one of the letters was received, one of his company's buildings had been hit by a fire bomb.

The FBI covered the scheduled payoff and two individuals were arrested who admitted their participation in this scheme. They entered pleas of guilty in Federal court.

Federal Reserve Act

These cases, which cover irregularities on the part of employees of national banks, state-chartered banks which are members of the Federal

Reserve System, state-chartered banks whose deposits are insured by the Federal Deposit Insurance Corporation, Federal savings and loan associations, state-chartered savings and loan associations whose deposits are insured by the Federal Savings and Loan Insurance Corporation and Federal credit unions, have shown a steady increase over the past ten years. During the fiscal year 1968, there were 674 convictions in Federal Reserve Act cases investigated by the FBI – the largest number of convictions for this offense in the Bureau's history. In addition, fines and recoveries resulting from FBI investigations totaled \$7,278,743 for the fiscal period.

One of the more prominent cases investigated by the FBI in this field led to the conviction of the former Director of a San Francisco area bank who received a total sentence of 13 years' imprisonment for a combination of bank larceny and making false statements in obtaining over \$3,000,000 in loans from banks while using fictitious insurance policies as collateral. The loot from this larceny-fraud scheme was used to invest in securities and real estate.

Fraud against the Government

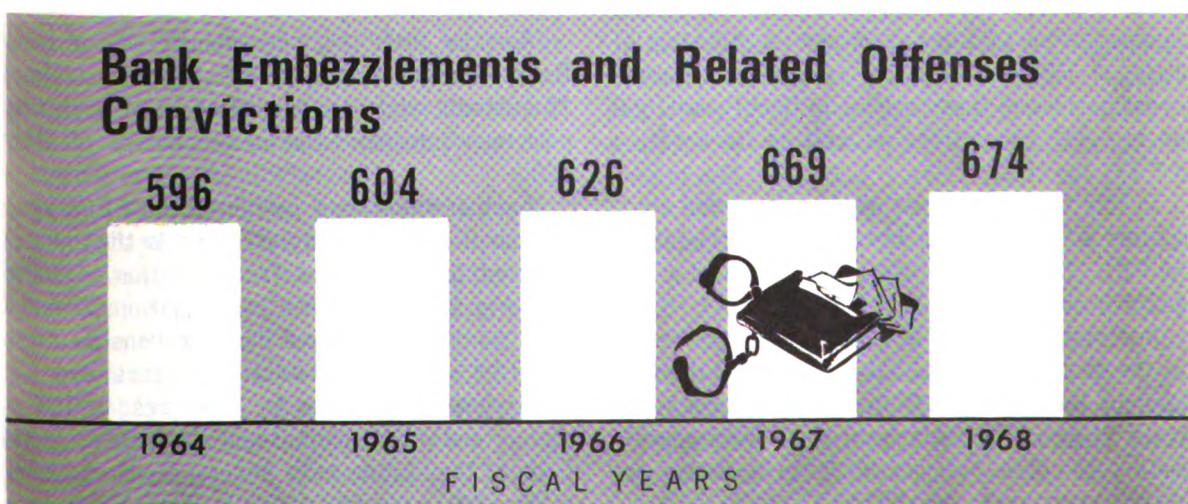
Protection of the Government from fraud is a basic and demanding FBI responsibility. These

investigations represent some of the most complicated cases handled by the Bureau.

The principal violations handled under this classification arise from false statements or false claims in matters in which an agency of the Government has jurisdiction, including Federal lending insurance agencies, the Veterans Administration and the Federal Housing Administration. Those with the greatest impact often involve Government procurements for supplies and services, particularly purchasing operations of the military for our national defense.

Since many frauds involve monetary matters, the services of expert FBI accountants are frequently required to conduct extensive reviews of books and records. Detailed analyses of numerous financial transactions are often called for, and questionable items frequently must be traced step by step from inception to completion in order to present a continuing chain of evidence. Large numbers of Special Agent Accountants are sometimes occupied for extended periods of time in such inquiries.

During the 1968 fiscal year, there were 268 convictions in this category of offenses as a result of FBI investigations. In addition, 105 fugitives wanted for these violations were apprehended during the year.



Fugitives

During fiscal year 1968, a 19 percent increase was posted by the FBI in fugitive apprehensions of all types over the previous period. A total of 18,881 were apprehended as compared with 15,878 the fiscal year before. Included in this total were 8,467 deserters from military service — some 2,200 more than the number apprehended during the preceding period.

Another all-time high and substantial increase over the previous fiscal year was reached in the apprehension of 10,414 general fugitives which included persons sought for FBI violations as well as over 3,000 individuals located for State agencies under the Federal Unlawful Flight Statute. This is the fifteenth consecutive year that all-time highs have been reached in the apprehension of general fugitives.

The FBI "Ten Most Wanted Fugitives" program pertains to criminals whose swift apprehension is sought due to the vicious nature of their crimes and the menace their continued freedom poses to society's and the Nation's interests. During fiscal year 1968, a record of 31 such notorious felons were apprehended.

Interstate Transportation Crimes

As a group, violations of Federal interstate transportation statutes command a substantial share of FBI investigative resources. Bureau investigations of these crimes in fiscal year 1968 led to 5,832 convictions as well as the location of 2,172 fugitives.

In this same fiscal period, 22,620 stolen automobiles were recovered in cases investigated by the FBI. These car recoveries established a new record in their numbers.

Interstate automobile theft rings, composed for the most part of skilled, professional thieves, continue to challenge FBI investigative ingenuity. At the close of the fiscal year, there were approximately 75 active automobile theft ring cases under investigation by the FBI.



Courtesy "Buffalo Evening News."

SAC

FBI Special Agent in Charge (SAC) of Buffalo, N. Y., Field Office (right) and N. Y. State Police Captain flank convicted murderer, rapist, and "Top Ten" fugitive, Winston Mosely, who shortly before, while holding three hostages, was talked into surrendering by the SAC.

A major theft ring case completed during the fiscal year led to the successful prosecution of 10 subjects who were identified with the theft of numerous automobiles valued in excess of \$112,500.

Another significant portion of the FBI's jurisdiction in this category of crime is the enforcement of the Interstate Transportation of Stolen Property Statute. These investigations resulted in 1,054 convictions and the apprehension of 788 fugitives, both substantial increases over the fiscal year 1967. Due to widespread traffic in stolen and counterfeit securities, these violations of the statute have become a prime concern of the FBI. Over \$2,000,000 in securities have

been recovered in Bureau investigations of such cases in just the past fiscal year.

Convictions derived from FBI investigations of other violations in this category of interstate crimes were: 112 for interstate transportation in aid of racketeering; 15 for interstate transportation of obscene matter; 12 for interstate transportation of wagering paraphernalia; 9 for interstate transportation of wagering information; 7 for interstate transportation of lottery tickets; and 1 for interstate transportation of stolen cattle.

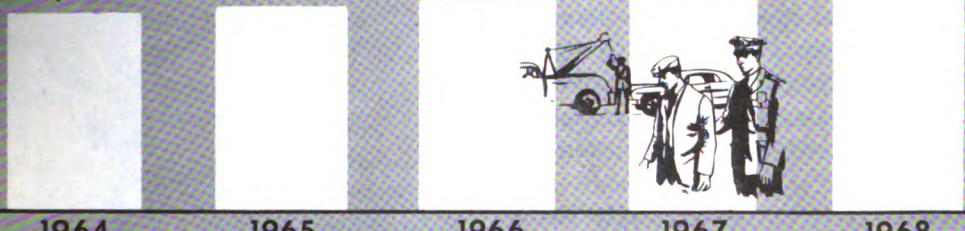


Cleveland FBI Agents examine recovered cache of weapons stolen from an interstate shipment.

Stolen Motor Vehicles Located

IN FBI CASES

19,856 20,447 21,164 21,867 22,620



1964 1965 1966 1967 1968

F I S C A L Y E A R S

Kidnaping

The Federal Kidnaping Statute, commonly known as the "Lindbergh Law," was passed by Congress on June 22, 1932. The law provides punishment for abduction of a victim, subsequent interstate transportation and holding the victim for ransom, reward or otherwise.

During fiscal year 1968, there were 34 convictions resulting from violations of this statute. These convictions included seven life sentences. The actual, suspended, and probationary sentences imposed totaled more than 338 years.

One of the cases investigated by the FBI involved the kidnaping of a motel employee at Dallas, Texas, during the course of an armed robbery in January, 1968. Several days later the employee's body was discovered in an automobile

trunk in Oklahoma. The deceased had been fatally shot at close range and, inexplicably, his body had been packed in cracked ice.

Investigation identified a man and woman as having been responsible for the robbery, kidnaping, and killing. Both were prosecuted in Federal court where the man was sentenced to life imprisonment and the woman to 50 years.

National Bankruptcy Act

FBI investigations of the National Bankruptcy Act resulting from concealment of assets and related offenses continue to reveal numerous planned bankruptcies engineered by the criminal underworld. These sophisticated schemes, commonly known as "scam" operations, have been detected in New York, Philadelphia, Miami, Chi-

cago, and other parts of the country. Alleged New York City La Cosa Nostra figure John Dioguardi and two associates were convicted in Federal court of having conducted a "planned bankruptcy" scheme in which some 47 creditors lost approximately \$129,000.

John Lombardozzi, a reported New York La Cosa Nostra member, and an accomplice were placed on probation in August and September, 1967, following their guilty pleas in New York Federal court to charges of violation of the National Bankruptcy Act and mail fraud statutes in connection with the fraudulent bankruptcy of a jeweler at Brooklyn, New York. Losses to creditors in this business failure were in excess of \$50,000. Lombardozzi also was placed on five years' probation in September, 1967, in a New York City Federal court due to a scheme to defraud creditors in the operation of a discount center at Brooklyn, New York. Creditor losses in this fraudulent bankruptcy were approximately \$200,000. Two associates of Lombardozzi, at the end of the fiscal year, were awaiting trial in this Federal case.

Several meetings were held recently in an eastern metropolitan area to encourage thousands of "Ghetto" dwellers to take advantage of the Federal bankruptcy laws to free themselves from indebtedness through mass bankruptcy declarations. At one of these meetings, a speaker reportedly urged that bankruptcies be planned in advance and that assets should be kept from the Trustee in Bankruptcy. Such ill-advised actions, of course, could result in serious violations of the Federal Bankruptcy Statutes.

During fiscal year 1968, FBI investigations of violations of this Act resulted in 44 convictions.

National and Federal Firearms Acts

Whenever a violation of the National or Federal Firearms Acts is an outgrowth of a Federal offense within the FBI's primary investigative jurisdiction, the Bureau assumes responsibility for enforcement of these Acts. Primary investigative jurisdiction over the National and Federal

Firearms Acts in other circumstances, however, is vested in the Alcohol and Tobacco Tax Division of the United States Treasury Department.

A total of 27 convictions were recorded as a result of FBI investigations in this category during the fiscal year.

It is to be noted that the Federal Firearms Act has now been repealed by Title IV of the Omnibus Crime Control and Safe Streets Act of 1968. The FBI investigates certain firearm offenses of that Act when they stem from Bureau cases.



FBI Agent skilled in underwater diving recovers sawed-off rifle-shotgun thrown in lake by bank bandit.

Selective Service

The main purpose of many investigations concerning Selective Service matters is to locate delinquents as quickly as possible and make them available for military service. The Department of Justice and the Selective Service System have consistently advised that it better serves the purpose of the induction program to make men who are delinquent in their draft obligations avail-

able for military service rather than to prosecute them and thereby make them ineligible.

FBI selective service investigations in recent years have broadened to cope with recurring schemes to obstruct the draft. Much effort was devoted during the past year by New Left-type organizations to encourage militant resistance to the draft in colleges and even high schools. Draft counseling of Selective Service registrants and the burning of draft cards as a form of protest have been a part of this accelerated drive to resist and disrupt the Selective Service laws.

During the fiscal year 1968, 738 Selective Service fugitives were apprehended as compared to 539 during fiscal year 1967. For the same period there were 809 convictions as compared with 763 convictions in the preceding period.

Theft of Government Property

With expanded Federal materiel procurements to support United States commitments abroad, significant increases have been experienced in the number of thefts of Government property. During fiscal year 1968, 756 convictions were recorded as a result of FBI investigation of these offenses. This is an increase of 34 percent over the last fiscal year. Offenders received in actual, suspended and probationary sentences more than

1,390 years. Fines were assessed on offenders amounting to \$63,395 and a total of \$1,518,818 in savings and recoveries were realized from FBI probes which also located 237 fugitives wanted for this crime.

Theft from Interstate Shipment

FBI investigations of this violation during fiscal year 1968 resulted in \$6,998,924 in savings and recoveries; 872 convictions; actual, suspended, and probationary sentences imposed in excess of 2,516 years; and the location of 435 fugitives.

America's entire national economy is dependent upon the continuous flow of food, fuel, raw materials and finished products from one community to another. It is an unfortunate fact that goods in transit are among the prime targets of offenders with all degrees of criminal skill and experience. A broad field is covered in the investigation of thefts from interstate shipments ranging from hijacking which involves the use of force or violence, burglary, robbery, embezzlement or fraud, down to petty pilferage-type cases.

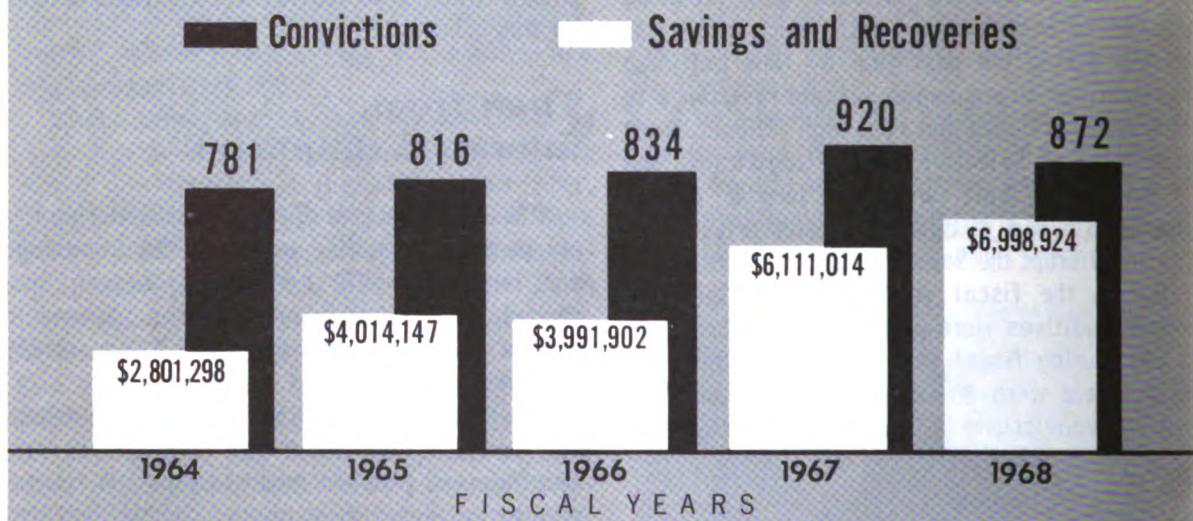
Thorough, immediate, vigorous investigation is necessary to effectively combat depredations of merchandise moving interstate. Major cases are afforded "within-the-hour" investigative attention by the FBI. All complaints are afforded "same day" FBI investigative attention.

FBI investigations during the fiscal year led to the indictment by a Federal Grand Jury at Brooklyn, New York, of 49 individuals because of their involvement in one or more of nine separate thefts (including six armed hijackings) in the New York area between May and December, 1967, where interstate shipments with a total value of over \$110,000 were stolen. Trial in this matter was pending at the close of the fiscal year.



California FBI Agents catalogue stolen electronic equipment recovered in a theft of Government property investigation.

Theft from Interstate Shipment



White Slave Traffic Act

Enacted into law in 1910 and one of the oldest under FBI investigative jurisdiction, this law is designed principally to curtail commercial vice and prostitution operations in interstate and foreign commerce. It prescribes penalties for anyone transporting a woman or girl by common carrier or other means in interstate or foreign

commerce for the purpose of prostitution, debauchery, or other immoral purpose.

During fiscal year 1968, 54 convictions were obtained from FBI investigations of violations of this Act, which also accounted for the apprehensions of 74 fugitives.

SUMMARY OF STATISTICS FOR THE 1968 FISCAL YEAR

CLASSIFICATION TITLE	CONVICTIONS	ACTUAL, SUSPENDED AND PROBATIONARY SENTENCES *			FINES IMPOSED	SAVINGS AND RECOVERIES	FUGITIVES LOCATED
		Years	Months	Days			
TOTALS	13,059	44,850	7	5	\$2,183,448	\$300,755,341	18,881
ADMIRALTY MATTERS						7,529,353	
ANTIRACKETEERING	8	86	6		37,500	252	4
ANTITRUST	101	12			1,007,601	3,221,485	
ASCERTAINING FINANCIAL ABILITY						4,060,515	
ASSAULTING OR KILLING A FEDERAL OFFICER	71	*252	7	18	2,825	3,278	18
AUTOMOBILE INFORMATION DISCLOSURE ACT	2				1,500		
BANK ROBBERY, BURGLARY AND LARCENY	1,105	*12,939	6	26	76,253	2,715,216	519
BILLS OF LADING ACT	2	9				698	
BOND DEFAULT	117	320	10	6	150	2,595	300
BONDSMEN AND SURETIES						12,500	
BRIBERY AND CONFLICT OF INTEREST	13	36	3		1,300	765,827	3
CIVIL RIGHTS	11	51	6		500	250,000	
CONTempt OF COURT	28	2	1	24	2,000		4
COPYRIGHTS	3	14			6,000		1
COURT OF CLAIMS						26,173,071	
CRIME ABOARD AIRCRAFT	8	7	7		1,700		5
CRIMES ON THE HIGH SEAS	25	56	10	16	375	345	13
CUSTOMS LAWS AND SMUGGLING							1
DESERTION, HARBORING DESERTERS, ENTICING TO DESERT	6	21	8	1	500	2,139	8,467
DESTRUCTION OF AIRCRAFT	10	25	6		250	1,950	
DESTRUCTION OF INTERSTATE PROPERTY							2
ESCAPED FEDERAL PRISONERS, PAROLE, PROBATION, AND CONDITIONAL RELEASE VIOLATORS	355	607	3	27		60,410	2,052
ESPIONAGE						20,148	
EXTORTION	31	115	5	29	2,475		51
FALSELY CLAIMING CITIZENSHIP	2	8					
FEDERAL HOUSING ADMINISTRATION MATTERS	131	272	9	1	31,319	174,233	26
FEDERAL LENDING AND INSURANCE AGENCIES	1	5			1,000	28,735	1
FEDERAL TORT CLAIMS ACT						111,890,063	
FEDERAL TRAIN WRECK STATUTE	9	28	6				
FOREIGN POLICE COOPERATION						7,328	
FRAUD AGAINST THE GOVERNMENT	113	338	9	28	35,090	2,426,614	63
GOVERNMENT AND INDIAN RESERVATION MATTERS	1,527	*2,383	10	29	42,164	124,377	401
HARBORING FUGITIVES	6	11	2	24			5
ILLEGAL WEARING OF UNIFORM AND RELATED STATUTES	74	70	4	29	2,397	550	29
IMPERSONATION	38	102	4	17	100	2,619	32
INTERSTATE TRANSMISSION OF WAGERING INFORMATION	9	21			15,000		27
INTERSTATE TRANSPORTATION IN AID OF RACKETEERING	112	348	1	3	166,957	4,297	119
INTERSTATE TRANSPORTATION OF LOTTERY TICKETS	7	6	2		4,000	839	3

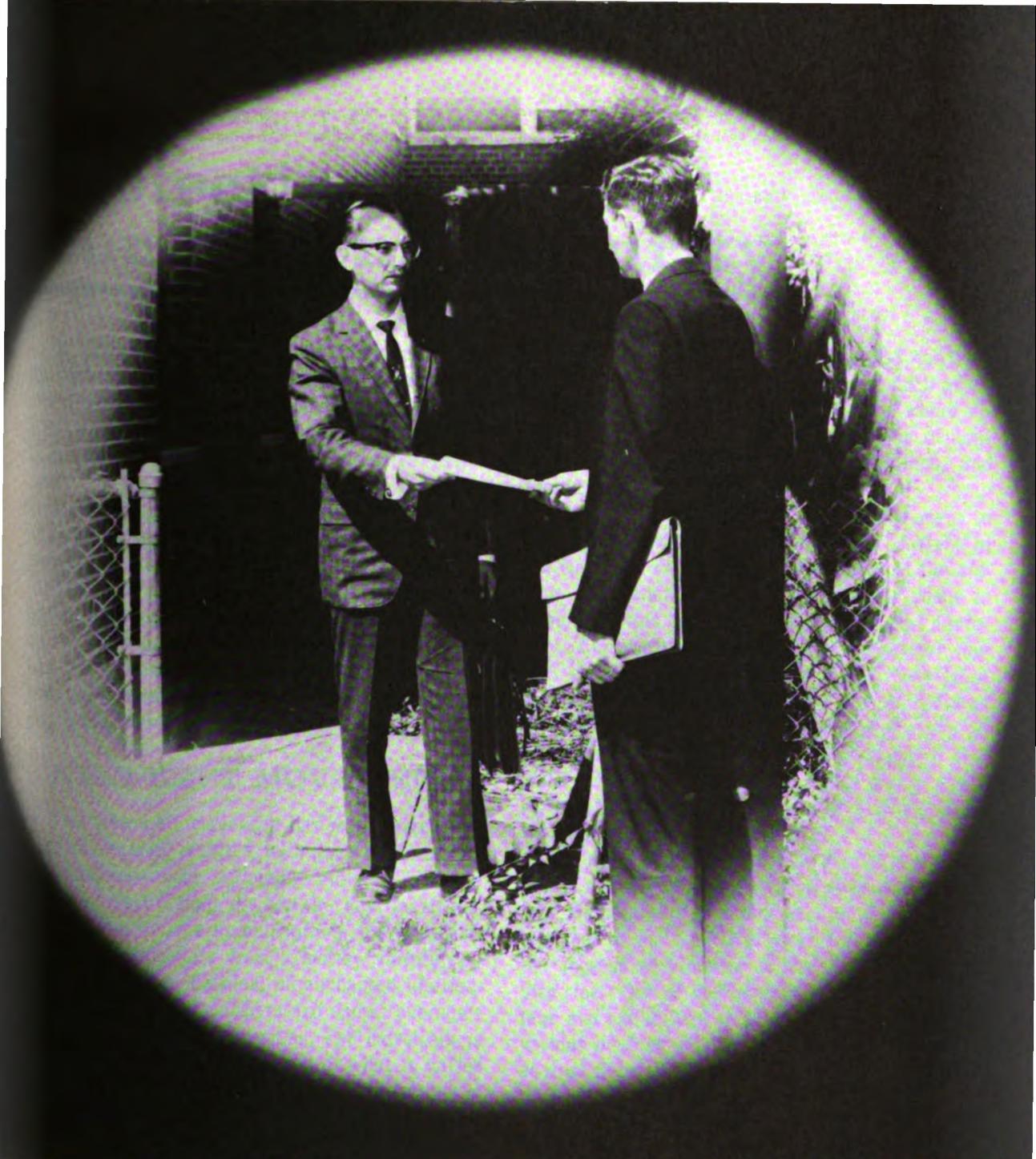
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SUMMARY OF STATISTICS FOR THE 1968 FISCAL YEAR

CLASSIFICATION TITLE	CONVICTIONS	ACTUAL, SUSPENDED AND PROBATIONARY SENTENCES *	FINES IMPOSED	SAVINGS AND RECOVERIES	FUGITIVES LOCATED
		Years Months Days			
INTERSTATE TRANSPORTATION OF OBSCENE MATTER	15	43 8 2	3,000		18
INTERSTATE TRANSPORTATION OF STOLEN CATTLE	1	8		34,956	1
INTERSTATE TRANSPORTATION OF STOLEN MOTOR VEHICLES OR AIRCRAFT **	4,622	12,731 2 9	57,001	36,024,307	1,211
INTERSTATE TRANSPORTATION OF STOLEN PROPERTY	1,054	4,255 1 6	118,910	22,877,942	788
INTERSTATE TRANSPORTATION OF WAGERING PARAPHERNALIA	12	31 7	1,250	398	5
IRREGULARITIES IN FEDERAL PENAL INSTITUTIONS	3	9 6			
KIDNAPING	34	*338 10 14			23
LABOR MANAGEMENT RELATIONS ACT	2		3,500	4,327,028	
LABOR-MANAGEMENT REPORTING AND DISCLOSURE ACT OF 1959	37	116 3 1	3,500	31,143	4
MAIL FRAUDS	33	123 8	43,500	200,000	5
MISCELLANEOUS	26	44 8	40	15,746,906	2
NATIONAL AND FEDERAL FIREARMS ACTS	27	135 9 12		120	2
NATIONAL BANK AND FEDERAL RESERVE ACTS - BANKS	572	1,694 5 21	151,500	6,756,031	84
NATIONAL BANK AND FEDERAL RESERVE ACTS - FEDERAL CREDIT UNION	44	125 10	850	57,226	9
NATIONAL BANK AND FEDERAL RESERVE ACTS - SAVINGS AND LOAN	58	178 8 1	4,000	309,136	18
NATIONAL BANKRUPTCY ACT	44	139 3	27,300	686,487	14
NEUTRALITY ACT AND RELATED STATUTES	7	11 9			
OBSTRUCTION OF JUSTICE	4	23 3 5			11
PASSPORTS AND VISAS	1	1 6			
PATENTS	1		14,700		
PERJURY	14	41 6 1	1,500		4
RENEGOTIATION ACT				45,243,693	
SELECTIVE SERVICE ACT, 1948	809	2,440 10 22	92,430	1,128	738
SUBVERSIVE ACTIVITIES				944	
SPORTS BRIBERY	3				1
SWITCHBLADE KNIFE ACT	2	3	100		
THEFT FROM INTERSTATE SHIPMENT	872	2,516 10 15	114,680	6,998,924	435
THEFT, EMBEZZLEMENT, OR ILLEGAL POSSESSION OF GOVERNMENT PROPERTY	756	1,390 5	63,395	1,518,818	237
UNAUTHORIZED PUBLICATION OR USE OF COMMUNICATIONS	1	1 4	6,500		
UNLAWFUL FLIGHT TO AVOID PROSECUTION, CONFINEMENT OR THE GIVING OF TESTIMONY	3	10		220,781	3,028
VETERANS ADMINISTRATION MATTERS	23	63 6 4	25,736	230,436	15
WAR RISK INSURANCE				9,400	
WELFARE AND PENSION PLANS DISCLOSURE ACT					8
WHITE SLAVE TRAFFIC ACT	54	214 10 3	11,100		74

* LIFE SENTENCES - 16

** AUTOS RECOVERED - 22,620



COUNTERINTELLIGENCE ACTIVITIES

Protecting Our Internal Security

A major responsibility of the FBI is protecting the internal security of the United States. By Presidential Directive of September 6, 1939, the FBI was given the duty of correlating internal security investigations. This directive called upon all law enforcement agencies to furnish promptly to the FBI any information in their possession regarding espionage, sabotage and other subversive activities.

The FBI's investigations are designed to gather both intelligence data and evidence which can be used in legal proceedings. The FBI also has the responsibility of immediately disseminating the information it has gathered to the appropriate officials of the Government.

NEW LEFT MOVEMENT

The New Left movement has mushroomed into a major security problem, with some of its adherents talking about sabotage, violence and the forcible destruction of certain key facilities. Basically a college student group, the New Left draws its supporters from a motley variety, including beatniks, hippies, disenchanted intellectuals, young faculty members and some "overage" students still on the campus. The movement is held together by a bitter hatred of what is called the "Establishment," that is, the institutions of democratic society. This hatred is reflected by intense opposition to the war in Vietnam, the draft, the ROTC, military recruiting on campus, and the participation by universities in military research. At heart, New Leftist philosophy is anarchistic and nihilist.

At the core of the New Left movement is an organization known as the Students for a Democratic Society (SDS). This group is highly militant and has been chiefly responsible for the New Left's move from a position of "passive dissent"

to one of "active resistance." The SDS has been the striking arm of student rebellions, such as at Columbia University in New York City, where violence erupted, including the kidnaping of academic personnel, the seizure of buildings, and the destruction of property.

The concept of violence as an instrument to destroy the existing social order is inherent in the New Left as it is in the philosophy of the old-line communists who have worked for years to undermine this Nation. Gus Hall, General Secretary, Communist Party, USA, has described the SDS as one of the groups the Party "has going for us." Two of SDS's recently elected national officers have publicly identified themselves as communists "with a small c" to signify that while they are communists, they are a brand different from the so-called "Old Left" Communist Party, USA.

In June, 1968, the SDS held its National Convention at Michigan State University, East Lansing, Michigan. The mood was one of militancy, referred to as the "Columbia Spirit," meaning the aggressive violence of the Columbia University riot. One of the workshops dealt with sabotage and explosives. The participants discussed various devices which might be developed for use against Selective Service facilities. In addition, they discussed Molotov cocktails fired from shot-guns and combustible materials and bombs which might be directed against communication and plumbing systems.

COMMUNIST ACTIVITIES

The Communist Party, USA, with headquarters in New York City, continued its effort to gain respectability in the Nation. The Party has worked unceasingly to encourage Americans to accept it as a legitimate political party (which

it is not) and as an organization which works for the best interests of the country (which it does not).

This drive for respectability has been buttressed by a wide variety of public appearances by top leaders, including Gus Hall, Herbert Aptheker, Henry Winston, and others. The Party has been debating a Draft Program (which will set out its position on a variety of topics of current interest) and plans to nominate candidates for President and Vice President at a Special National Convention scheduled to be held in New York City during the first week of July, 1968. The Party will also encourage members to run for public office in local and state elections.

Another phase of the Party's drive for respectability was the effort to issue a new paper, the "Daily World," which will replace "The Worker." The "Daily World" is to be a daily paper ("The Worker" was issued twice a week) and will be designed to appeal to noncommunists also. The new paper, however, is being edited by veteran Party members, Carl Winter and John Pittman, and will faithfully follow the Party line.

The Communist Party, USA, during the 1968 fiscal year continued to oppose the war in Vietnam, giving support to groups and individuals advocating similar aims. At a press conference on May 18, 1968, in Philadelphia, Gus Hall indicated that campus troubles, strikes, and even the Poor People's March are part of the communist line. The Party is eager to increase its influence in the labor field. A Party Industrial Conference was held in Chicago in April, 1968.

Youth, however, continues as the Party's key target. Michael Zagarell, National Youth Secretary, began a nationwide tour of college campuses in March, 1968, primarily in an effort to enlist student support for the new Marxist paper, "Daily World."

The New Left movement is of considerable concern to the Party. The Party wants to obtain recruits from these students, many of whom talk in Marxist terminology and detest democratic institutions with a passion equal to the Party's. However, the Party realizes that the individualism

and lack of amenability to discipline of the New Leftists provide problems. Early in 1968 the Party issued a "Youth Resolution on the New Left" which stated: "We communists do not see the 'New Left' as a force separate and apart from our Party or from the rich, long tradition of the American left. We see it rather as an outgrowth of the seeds we and others helped to sow."

In international relations, the Party furnished steadfast support for the Soviet Union. On the 50th Anniversary of the Bolshevik Revolution in November, 1967, the Communist Party's National Committee issued a statement reaffirming its determination to work for American-Soviet friendship and for the triumph of "socialism" in the United States. While in Moscow, as the leader of the official Communist Party delegation to the anniversary celebration, Hall denounced the United States Government in a speech at the Kremlin. In the Arab-Israeli conflict, the Party backed Moscow's support of the Arabs. Hall soon found that there was not wholehearted agreement for this position and was forced to resort to disciplinary measures to quell the dissident members who came out in support of Israel's position.

SPLINTER GROUPS

The ideological conflict between the Soviet Union and Red China resulted in the formation of numerous pro-Chinese "splinter" groups. One of the largest and most militant is the Progressive Labor Party. It has a membership of roughly 300 and has branches in New York City, Los Angeles, San Francisco and other cities. Its activities during the past year have centered around racial and anti-Vietnam issues.

SUBVERSION FROM ABROAD

The Soviet Union and its European allies continue to regard the United States as a prime espionage target. The two Soviet intelligence networks directed against this country are the KGB (Committee for State Security) and GRU (Soviet

MAJOR OBJECTIVES of COMMUNIST-BLOC REPRESENTATIVES in the UNITED STATES

PENETRATION

INTELLIGENCE AGENCIES
CONGRESS
DEPARTMENT OF STATE
TECHNICAL ORGANIZATIONS
DEPARTMENT OF DEFENSE
ANTICOMMUNIST GROUPS

INFORMATION

MILITARY RESEARCH AND DEVELOPMENT
NUCLEAR, MISSILE AND SPACE RESEARCH AND DEVELOPMENT
STRATEGIC GEOGRAPHIC AREAS
INDUSTRIAL RESEARCH, METHODS AND PRODUCTION
DEFENSE PLANS
POLITICAL AND ECONOMIC DEVELOPMENTS

PROPAGANDA

SPEECHES
PRESS RELEASES
PRINTED MATERIAL
RADIO AND TV APPEARANCES
PERSONAL CONTACTS
DELEGATIONS AND VISITS BY OFFICIALS

Military Intelligence).

A Soviet defector, a former KGB officer, has stated that approximately 70-80 percent of all personnel assigned to a Soviet diplomatic establishment work in the intelligence field. There are two Russian diplomatic establishments in this country: the Soviet Embassy in Washington, D. C., and the Soviet Mission to the United Nations in New York City. A review of the number of Soviet officials in this country over the past 14 years reveals an increase in Soviet diplomatic personnel, which also means more intelligence officers. In 1954, for example, there were 175 Soviet officials; five years later, in 1959, the number had increased by more than 100 and there were 282. By 1964, the figure was up to 346; and as of June 1, 1968, there were 573 Soviet officials here.

In similar fashion, the Soviet satellite nations have targeted their intelligence services against the United States. For example, a Hungarian defector source has indicated that the Hungarian Intelligence Service considers the United States as its prime target. The intertwining of the Soviet and satellite intelligence services is evidenced by the Soviet advisors who lend counsel and assistance to their satellites at a headquarters level and by the liaison maintained in the United States between the representatives of the Soviets and their satellites.

The responsibilities of the FBI in the Cuban area are primarily: (1) the penetration of Cuban intelligence activities in the United States; and

(2) the identification of pro-Castro individuals and organizations. The Latin-American Solidarity Organization (LASO) Conference in July and August, 1967, and the Cultural Congress in January, 1968, were held in Havana specifically for planning ways and means of undermining U. S. influence throughout the Western Hemisphere and for infiltration of intelligence agents into the U. S. from Cuba. Therefore, increased vigilance has been necessary in this regard.

Red China continued to regard the United States as its Number One enemy. This fact has resulted in Chinese communist intelligence activities in this country, overt as well as covert, to obtain needed material, especially in the scientific field. Communist China continues its extensive efforts to collect scientific and technical publications from the United States. The FBI remains alert to this danger.

KLAN AND WHITE HATE GROUPS

The FBI devoted great effort to groups and individuals whose programs have the effect of undermining law and order.

Fourteen Klan-type organizations with a combined membership of approximately 12,000 individuals were under investigation. The largest Klan group is the United Klans of America, Incorporated, Knights of the Ku Klux Klan, with headquarters in Alabama. It has a membership of approximately 10,000 and is headed by Imperial

Wizard Robert Shelton, who was convicted on September 14, 1966, of contempt of Congress for failing to produce organizational records subpoenaed by the House Committee on Un-American Activities. Shelton was sentenced to one year in prison and fined \$1,000. This matter is presently under appeal.

Another prominent Klan organization is the White Knights of the Ku Klux Klan in Mississippi. It was organized in 1964 under the leadership of Imperial Wizard Sam Bowers. In October, 1967, Bowers was convicted of complicity in the murder of three civil rights workers (James Chaney, Andrew Goodman and Michael Schwerner). He is presently free on bond awaiting an appeal of his conviction.

The American Nazi Party's head, George Lincoln Rockwell, was assassinated in August, 1967, in Virginia. Since his death, the Party has closed most of its chapters and only a small contingent remains at this time. Headquarters are located in Arlington, Virginia. This group espouses hatred against Negroes and Jews.

RACIAL STRIFE AND RIOTING

Basically, the FBI's responsibility in this field is the development and dissemination of intelligence information while, of course, being ever alert to the detection of violations of Federal law over which it has investigative jurisdiction. The FBI does not have jurisdiction to protect persons and property nor does it have the responsibility to police or control riotous conditions.

Intelligence data indicated a growing militancy on the part of black extremists. Emboldened Negro agitators and revolutionaries such as Stokely Carmichael are coming to the forefront in Negro communities. Their appeal to destructive action and guerrilla warfare has intensified a mood of lawlessness among sympathetic followers, thereby increasing the potential for violence.

The assassination of Dr. Martin Luther King, Jr., on April 4, 1968, was seized upon by militant and criminal elements in Negro areas throughout

the country as an excuse to riot, loot, vandalize, burn, and kill. These outbreaks resulted in 37 deaths, injuries to thousands of persons, and millions of dollars in property damage.

Certain organizations claiming to be civil rights groups but which in fact preach hatred for the white race, demand immunity from laws, and advocate violence, constitute a serious threat to our country's internal security.

Among such groups is the Student Nonviolent Coordinating Committee, formerly headed by Stokely Carmichael and later by H. Rap Brown. On May 22, 1968, Brown was found guilty of violating the Federal Firearms Act and was sentenced to five years in prison and fined \$2,000. He is free on bond pending appeal of his case. Brown has also been indicted on a charge of assaulting and intimidating a Federal officer and obstruction of justice. In addition, he has been indicted by the State of Maryland on charges of arson and inciting to riot arising out of the racial disturbance in Cambridge, Maryland, in July, 1967. He is presently free on bond awaiting trial on the above charges.

Another such organization is the Black Panther Party, which was founded as the Black Panther Party for Self-Defense at Oakland, California, in December, 1966, for the alleged purpose of combating police brutality and uniting militant black youth. The political philosophy of its leaders is based on the writings of Mao Tse-tung and black revolutionary writers. They advocate the use of guns and guerrilla tactics to end their alleged oppression.

The Revolutionary Action Movement is a small, secret, all-Negro group inspired by Robert F. Williams and the militant Chinese-communist line. Williams, an FBI fugitive, has been in exile since 1961, first in Cuba and more recently in Red China. He is presently in Tanzania and has indicated a desire to return to the United States. He advocates achieving Negro rights by violence.

The question of foreign influences in the black nationalist movement is a matter of grave concern, and information has been developed showing foreign involvement in varying degrees.



by of "The Record," Spring Valley, N. Y.

COOPERATIVE SERVICES

Benefits Of Cooperation

To a society threatened by a soaring crime rate and widespread disrespect for constituted authority, effective law enforcement is a critical necessity. Public support and a pervasive spirit of cooperation among all levels of law enforcement – Federal, state, and local – must exist if these challenges to our Nation's security are to be met.

As the principal investigative arm of the U. S. Department of Justice, the FBI is dedicated to the full professionalization of law enforcement in the United States. The many resources and services of the world-renowned FBI Laboratory and the Identification Division are provided, without cost, to any duly authorized law enforcement agency. Also extended, free of charge, is a comprehensive program of expert instruction in a broad range of police and investigative subjects. Through these and innumerable other services, the FBI strives to fulfill its central function in the law enforcement community.

POLICE TRAINING

The wide range of instructional activities and programs conducted by the FBI during the fiscal year is indicative of this Bureau's enormous concern with the professionalization of law enforcement throughout the United States. Training assistance, extended to 184,238 municipal, county, and state law enforcement officers in 6,074 schools, ranged in subjects from basic police recruit training to highly specialized instruction in fingerprinting and mob and riot control. Included in this advanced instruction were 120 schools on law enforcement management conducted nationwide by trained teams from the FBI's Training Division in Washington, D. C., and attended by 4,579 police executives and supervisory personnel.

To aid the nearly 1,000 trained and experienced FBI Special Agents who participated as in-

structors in these various police schools, innumerable training documents and visual aids were prepared and revised.

During the fiscal year, a total of 199 law enforcement officers from the United States and selected foreign countries were graduated from the FBI National Academy. Since its inception in 1935, the National Academy, often called the "West Point of Law Enforcement," has graduated 5,335 law enforcement officers in 81 sessions of whom 3,091 are still active in law enforcement. Of those graduates still active, almost 28 percent occupy top executive positions in their agencies.

Courtesy of "The Record," Spring Valley, N. Y.



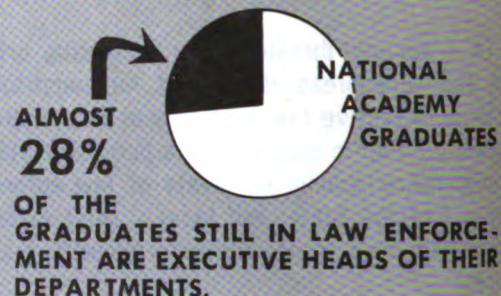
FBI Agent (kneeling foreground) discusses hit and run accident investigation techniques with police officers and District Attorney.

The National Academy's intensive 12-week curriculum of instruction is designed to prepare experienced police officers for greater administrative and instructional responsibilities within

FBI National Academy

First Session Began July 29, 1935

81 SESSIONS HELD AS OF JUNE, 1968, TOTALING 5,335 GRADUATES REPRESENTING EVERY STATE IN THE UNION, THE DISTRICT OF COLUMBIA, PUERTO RICO, AND MANY FOREIGN COUNTRIES.



their respective departments. A portion of this training is conducted at FBI facilities in Quantico, Virginia, which are presently undergoing vast expansion. When completed, an ultramodern FBI Academy there will provide enlarged training accommodations for FBI Agents and will increase up to 2,000 the number of FBI National Academy officers who can be trained each year. In addition, specialized training will be given to an additional 1,000 officers each year.

During the fiscal year, the FBI sponsored and conducted 275 law enforcement conferences

throughout the country regarding legal decisions affecting law enforcement and services afforded by the National Crime Information Center. These programs were attended by 21,695 officers representing 6,780 police agencies.

The Omnibus Crime Control and Safe Streets Act of 1968, recently enacted, authorized funds for the FBI to use in the intensification of its National Academy and police field training program, designed to assist municipal, county, and state law enforcement agencies with training when requested.



■ FBI Agent-Instructor makes point in Police Management School.

THE FBI LABORATORY

Through the forensic application of modern science and technology, the FBI Laboratory seeks to meet the expanding and complex needs of law enforcement today. During the fiscal year, the Laboratory conducted an unprecedented 342,690 examinations and answered more than 43,000 requests received in FBI cases, from other Federal agencies and local law enforcement. About 27 percent of these examinations were made for other agencies.

Of the examinations made, 206,923 were in document, photographic, and shoe and tire print fields; 56,819 were in connection with translations and related matters; 78,187 involved physics and chemistry; and 761 concerned radio engineering matters.

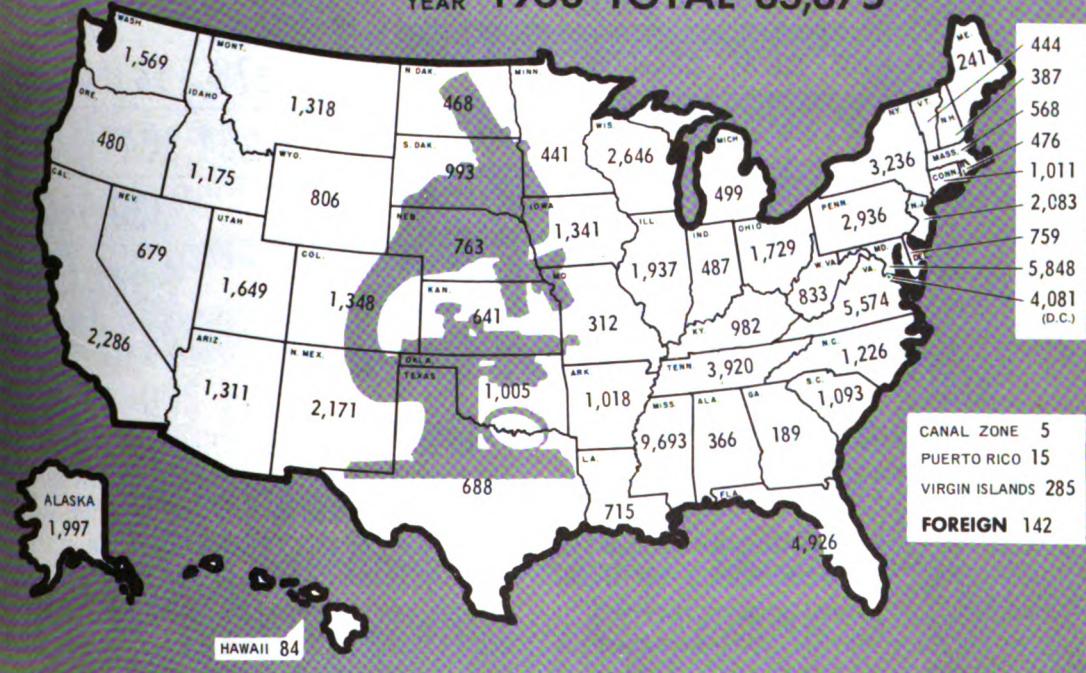
In an instructional capacity, FBI Laboratory personnel made significant contributions to the training of the FBI's own Agents, National Academy classes, and law enforcement officers throughout the Nation.

Typical of the cases handled by the FBI Laboratory throughout the fiscal year were the following:

On July 22, 1967, during the holdup of a Lincoln, Illinois, motel, where he was registered under an assumed name, Edward Richard Ceszar shot and mortally wounded a desk clerk. Ceszar was apprehended later in a Bloomington, Illinois, motel where he was registered under his correct name. An examination in the FBI Laboratory determined that the handprinting on the two motel registration cards was prepared by the same person, and expert testimony to this effect was given

FBI Laboratory Examinations Made for Non-Federal Law Enforcement Agencies

FISCAL
YEAR 1968 TOTAL 83,875

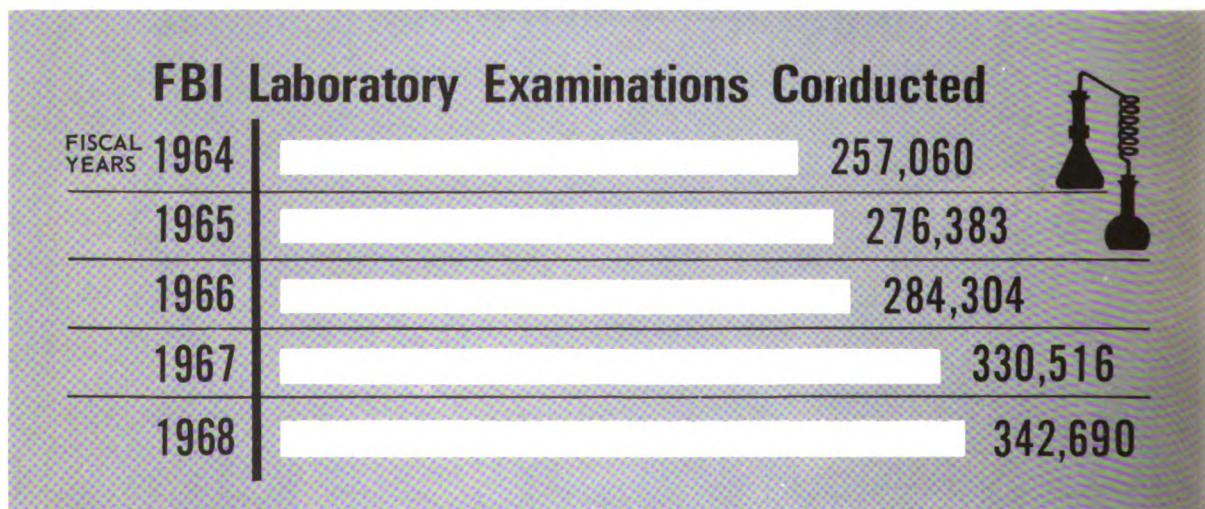


during Cesarz's trial in March, 1968. A jury subsequently found Cesarz guilty and recommended the death penalty.

In another case involving the services of the FBI Laboratory, Thomas Kee Ming Hsu, posing as a former general in the Chinese Nationalist Army, swindled several persons in the United States of substantial sums in a scheme based on his alleged close relationship with Generalissimo Chiang Kai-shek. In order to give credence to his representation, Hsu exhibited photographs depicting himself in the company of Generalissimo Chiang. Subsequent examination by the FBI Laboratory disclosed that they were skillfully altered composites of legitimate photographs in which Hsu had included himself with Generalissimo Chiang's staff. Testimony to this effect was given by an expert in United States District Court, New York, New York, in January of 1968, and Hsu was successfully prosecuted.



■ *Special Agent Document Examiners of FBI Laboratory successfully search barrel of charred debris for identities of murder suspects.*



FINGERPRINT IDENTIFICATION

The FBI Identification Division processed 6,974,334 sets of fingerprints during the fiscal year — marking the largest number received in any year since World War II — and increased its total file to well over 188,000,000. A record

2,045,318 criminal identifications were made, and an unprecedented number of fugitives, 31,404, were identified as a result of searches conducted in the files of this Division. At the close of the fiscal year, wanted notices on fugitives sought by various law enforcement agencies totaled 56,707, and of these 39,817 were for probation and parole violators.

During this year, law enforcement agencies at all levels of our Government called upon the Latent Fingerprint Section of this Division to aid in the investigation of cases through the submission of 219,264 articles for examination. The 27,425 cases handled by this Section constituted a 16 percent increase over the previous fiscal year and an all-time high record. The number of cases in which suspects were identified, 2,578, marked a 15 percent increase over the previous year. During the year, expert examiners from the Section made 314 court appearances which led to over 1,800 years in prison terms, nine life sentences, and one death sentence being imposed.

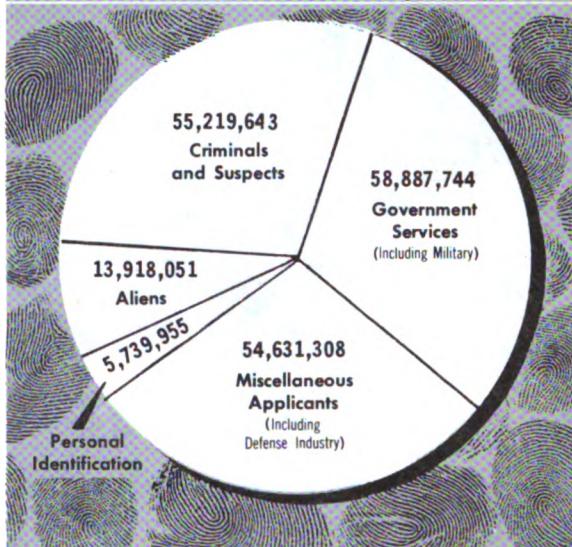
International Exchange

As a result of its International Exchange Program with 83 friendly noncommunist countries and United States possessions outside the continental limits, the FBI received 16,820 sets of fingerprints during the fiscal year, of which 2,050 were identified with those on file in the Identification Division. In return, the FBI sent 249 fingerprint cards abroad and 75 of these were identified.

The FBI Disaster Squad

Another cost-free cooperative service is that

Types of Fingerprints on File at FBI Identification Division Total 188,396,701



rendered by the FBI Disaster Squad. Composed of highly trained identification experts, this team stands ready to assist, upon request, in the identification of major disaster victims. During the fiscal year, the Disaster Squad assisted in the identification of 226 victims in five disasters involving two airplane crashes, one explosion, one ship collision and one bus accident. Finger-

Fugitives Identified by Fingerprints

FISCAL YEARS	1964	20,270
1965		22,375
1966		22,614
1967		27,450
1968		31,404



FBI expert compares latent fingerprints from crime scene with known fingerprints of suspects.

prints were obtained from an estimated 111 victims of whom 81 were identified through these prints.

PUBLICATIONS

Numerous requests for law enforcement information are received by the FBI from members of the profession, educators, students and other citizens. To meet this demand, the FBI prints a number of booklets, charts and other items. Some are technical in nature and are restricted in distribution to law enforcement personnel. Others are available to the general public.

The Uniform Crime Reporting Program

The Uniform Crime Reporting Program collects, analyzes and publishes crime figures for the United States. The FBI compiles these statistics, furnished on a voluntary basis by law enforcement nationwide, and publishes them in an annual bulletin, the Uniform Crime Reports, which provides data on crime trends and rates by state, geographic division and population group. This bulletin is supplemented quarterly during the year with statistical releases showing crime trends based on a Crime Index, which is the only nation-

wide measure of the volume and type of criminal activity.

Developed to furnish worthwhile information to assist the heads of law enforcement agencies in the administration and operation of their departments, the Uniform Crime Reporting Program collects data on four major items of primary interest to these executives, namely: (1) offenses known to police; (2) age, sex and race of persons arrested; (3) police disposition of persons arrested; and (4) police employee information. In addition to their use by police executives, the statistics published by the FBI are being used increasingly by sociologists, penologists, judges, students and others interested in crime and its social aspects.

A program, initiated in 1963 to analyze the criminal careers of known offenders from their fingerprint records, has shown that of approxi-

mately 195,000 individual offenders processed by the end of 1967, three out of every four had been arrested on some charge prior to the arrest which brought their record into the program. It is hoped that this program will provide valuable information to those concerned with the administration of justice as well as to the student of crime.

The FBI Law Enforcement Bulletin

The FBI Law Enforcement Bulletin, a monthly professional journal, contains material of interest relating to all phases of law enforcement work. This publication, which is not available to the general public, is widely circulated among law enforcement agencies and serves as a medium for the mutual exchange of ideas and the discussion of problems confronting the profession.

NATIONAL CRIME INFORMATION CENTER

The National Crime Information Center, a computerized index of information concerning crime and criminals of nationwide interest, became operational in January, 1967. This Center is located in FBI Headquarters in Washington, D. C., and serves as the nucleus of a vast communications network which includes local, state and Federal law enforcement agencies throughout the United States. The Center is designed to complement the development of metropolitan and statewide electronic systems and makes available in a matter of seconds information essential to the efficient and effective performance of law enforcement personnel. At the end of the fiscal year, the National Crime Information Center network was comprised of 61 control terminals representing 42 states, the District of Columbia and

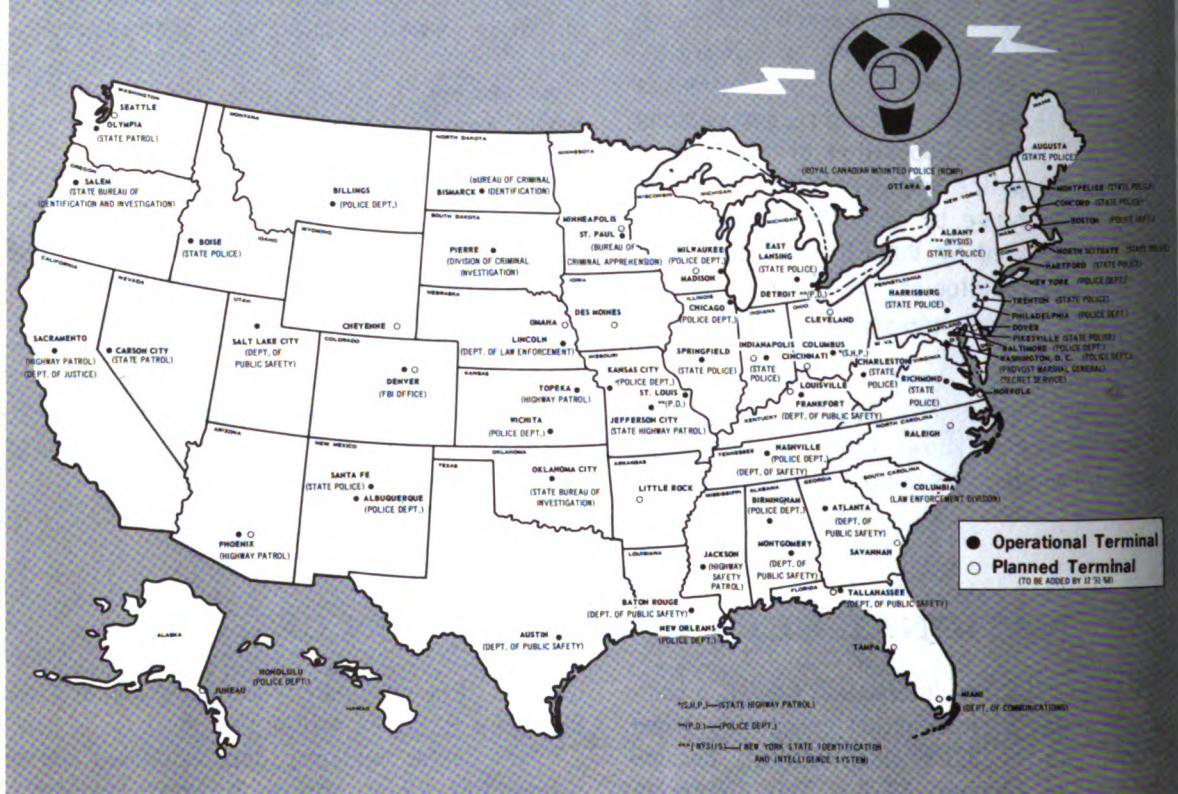
Canada. It is anticipated that by the end of 1968, the entire 50 states will be tied in.

The Center includes data regarding stolen automobiles, stolen property in certain categories, all Federal fugitives, and fugitives wanted for the commission of serious state crimes. The Center serves as an index to the documented files maintained by the local agencies and does not itself contain complete detailed information regarding the crimes. Over 552,000 active records were on file at the Center at the close of the fiscal year.

Additional applications including an index of stolen securities, traveler's checks, and money orders will be incorporated in the system in the near future, and research is under way to further utilize the system for the collection and storage of criminal statistics and other crime data.

NATIONAL CRIME INFORMATION CENTER

Law Enforcement Agencies Participating In System





APPLICANT and EMPLOYEE INVESTIGATIONS

Protecting the Government

It is the duty of the FBI through appropriate investigations to secure the United States Government from criminal and subversive elements which could bring corruption and ruin to the Federal service. This primary role of the FBI also extends to the investigation of spurious claims affecting the Government which result from civil matters.

INVESTIGATIVE RESPONSIBILITIES

Federal Employee Security Program

The FBI first began conducting investigations concerning the loyalty of Federal employees in the 1942 fiscal year when the Department of Justice Appropriations Act provided for the investigation of any Government employee belonging to a subversive organization or advocating the overthrow of the Federal Government. Similar provisions were made in 1943, but thereafter, on instructions of the Attorney General, this type of investigation was conducted under the provisions of the Hatch Act which prohibited Federal employee membership in any organization advocating the overthrow of our constitutional form of government. These instructions remained in effect until the Federal Employee Loyalty Program began with the signing of Executive Order 9835 by the President in March, 1947. This was replaced in 1953 by Executive Order 10450, under which the FBI is charged with the responsibility of checking through its files the names and fingerprints of employees and applicants in the Executive Branch of the Federal Government. While the FBI is required to conduct investigation only where information of a disloyal or subversive nature is disclosed concerning the employee or applicant, allegations bearing on suitability, such

as drunkenness, drug addiction, nervous or mental disorders, immorality, dishonesty, and susceptibility to coercion, are also fully developed during such investigations. Preliminary inquiries are frequently made to verify identity or to determine the exact significance of information obtained from the initial file search. Experience has shown that these inquiries often eliminate the necessity for full field investigations. Cases involving only allegations bearing upon the general suitability of the employee or applicant are investigated by the employing agency or the United States Civil Service Commission.

The role of the FBI in implementing the provisions of Executive Order 10450 is to report the facts without bias, conclusion, or recommendation. It is the responsibility of the Civil Service Commission and/or the employing agency to weigh the facts and to take adjudicative action. During the period July 1, 1967, through June 30, 1968, a total of 402,679 individual security forms were handled. As a result of processing these forms, specific requests by the Civil Service Commission and other agencies, and complaints received directly by the FBI, 975 preliminary inquiries and 564 full field investigations were instituted during the 1968 fiscal year. Many of these disproved the allegations against the applicant or employee concerned.

United Nations Loyalty Program

Pursuant to Executive Order 10422, American citizens employed by, or seeking employment with, the United Nations and other international organizations of which the United States is a member are investigated by the FBI when information of a disloyal nature concerning them is developed. Under this program four preliminary inquiries and 43 full field loyalty investigations were instituted in the fiscal year.

Departmental Applicants

FBI investigations are conducted, at the request of the Department of Justice, of individuals to be employed in the various divisions and bureaus within the Department, such as the Bureau of Prisons and the Immigration and Naturalization Service. These investigations include applicants for Federal judgeships, United States Marshals and their deputies, and other positions such as attorneys and clerical employees in the Department of Justice, as well as immigrant inspectors in the Immigration and Naturalization Service and correctional officers in the Bureau of Prisons.

Investigations are also conducted of maintenance employees who have access to FBI space.

During the fiscal year 1968, the FBI received 3,714 requests from the Department for applicant-type investigations.

Other Requests

The Civil Service Commission has primary responsibility for conducting applicant investigations for the United States Government. However, when the President so directs, when the position involved is certified as one of a high degree of importance or sensitivity, or when data indicating possible disloyalty is developed, the FBI handles these inquiries. Within these provisions, the Civil Service Commission requested 182 investigations for various agencies in the fiscal year 1968.

Other applicant or employee investigations conducted or initiated by the FBI during the 1968 fiscal year included: 1,012 for the White House and Cabinet officers; 57 for certain Congressional committees; 2,720 for the Atomic Energy Commission; 23 for the Agency for International Development; 4 for the United States Arms Control and Disarmament Agency; 18 for the National Aeronautics and Space Administration; and 229 for the Peace Corps.

Investigations to determine the character and conduct of persons requesting Presidential pardons after conviction of a felony in the Federal courts are conducted by the FBI at the request

of the United States Pardon Attorney. Persons requesting pardons seek restoration of certain civil rights denied them as a result of their convictions.

As a cooperative measure with the Pardon Attorney, this Bureau conducts investigations of persons making application for executive clemency, but only in those cases where the original offense upon which the applicant was convicted was within the primary jurisdiction of the FBI.

During the fiscal year 1968, 403 investigations were completed and the results furnished the Pardon Attorney.

NAME CHECKS

The FBI has the responsibility for the coordination and dissemination of information pertaining to the internal security of the United States. Information coming into possession of the FBI is made available to all authorized interested Government agencies of the Executive Branch to assist them in carrying out their official functions and to safeguard the security of the Nation. Data in FBI files is also disseminated in response to name check requests from these agencies. Nearly two million such requests were handled during the fiscal year.

CIVIL INVESTIGATIONS

Each year substantial savings accrue to taxpayers as a result of civil investigations conducted by the FBI in matters in which the Government is a party in interest. These investigations, many of which often involve complex accounting and scientific examinations, were responsible for savings and recoveries benefitting the Government to the extent of more than \$210,650,000 in the fiscal year.

A breakdown of the amounts recorded in some categories of these cases included: Admiralty Matters, \$7,529,353; Ascertaining Financial Ability, \$4,060,515; Court of Claims, \$26,173,071; Federal Tort Claims Act, \$111,890,063; and Re-negotiation Act, \$45,243,693.



PERSONNEL AND ADMINISTRATION

Organization

Together with a traditional dedication to the ideals of fidelity, bravery, and integrity, the FBI is absolutely committed to the highest possible degree of operational efficiency in its service to the American public. Through the economic and imaginative utilization of its resources, the FBI has over the years returned to the taxpayer in the form of fines, savings, and recoveries an amount in excess of that appropriated for its operations.

DIVISIONS AND OFFICES

The FBI Headquarters staff at Washington, D. C., is divided into ten Divisions. Supervising all FBI activities, these Divisions have clearly defined responsibilities to insure close supervision and avoid duplication of effort.

FBI Field Offices are located in 58 major cities in the United States and in the Commonwealth of Puerto Rico. Headed by a Special Agent in Charge, each of these offices is manned and operational continuously. These Field Offices have over 500 Resident Agencies (suboffices) which facilitate the prompt handling of investigative matters throughout their areas.

Facilitating the exchange of information with foreign agencies on matters relating to international crime and subversive activities, the FBI maintains liaison posts in 12 major foreign cities.

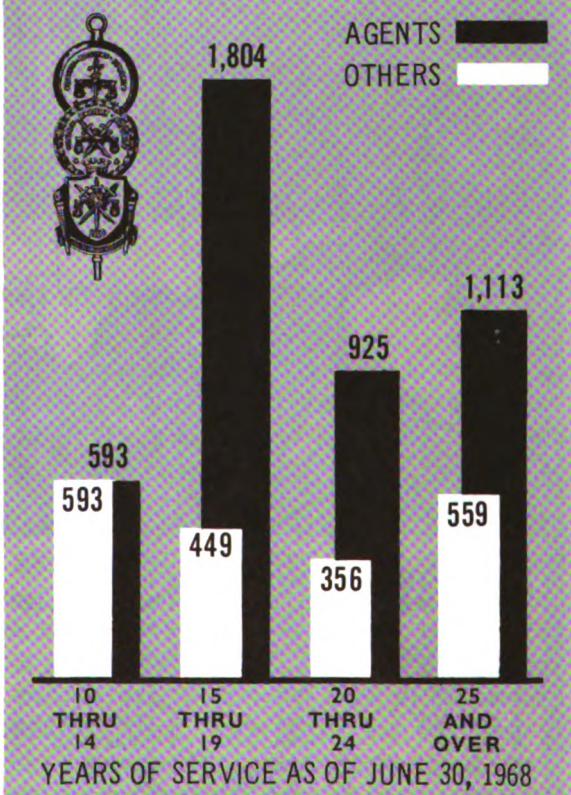
PERSONNEL

At the close of the 1968 fiscal year, there were 15,961 employees on the rolls of the FBI, including 6,699 Special Agents and 9,262 clerical, stenographic, and technical personnel. Significantly, over 66 percent of the Special Agents and over 21 percent of the noninvestigative personnel had served 10 years or more. The prevalence of large numbers of experienced career employees has frequently enabled the FBI to efficiently carry out additional responsibilities

without corresponding increases in manpower.

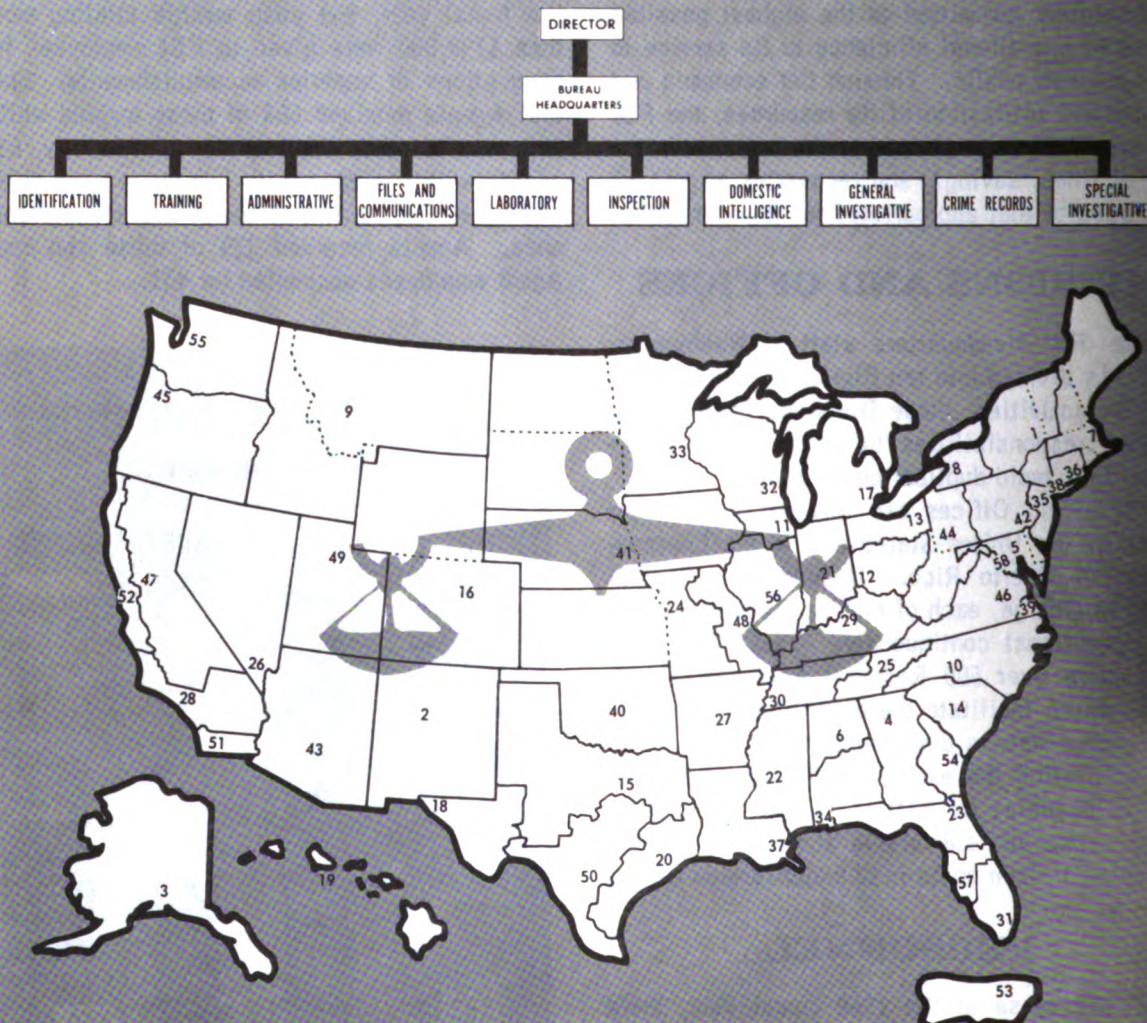
In recognition of outstanding service during the fiscal year, 969 cash awards totaling more than \$199,000 were given to FBI employees for suggestions or superior accomplishments. Special Agents received 664 of these awards while 305 went to other employees. Additionally, 630 quality within-grade salary increases were given employees for sustained above-average performance. Agents received 229 of these and non-Agent employees accounted for 401.

Length of Service of FBI Personnel

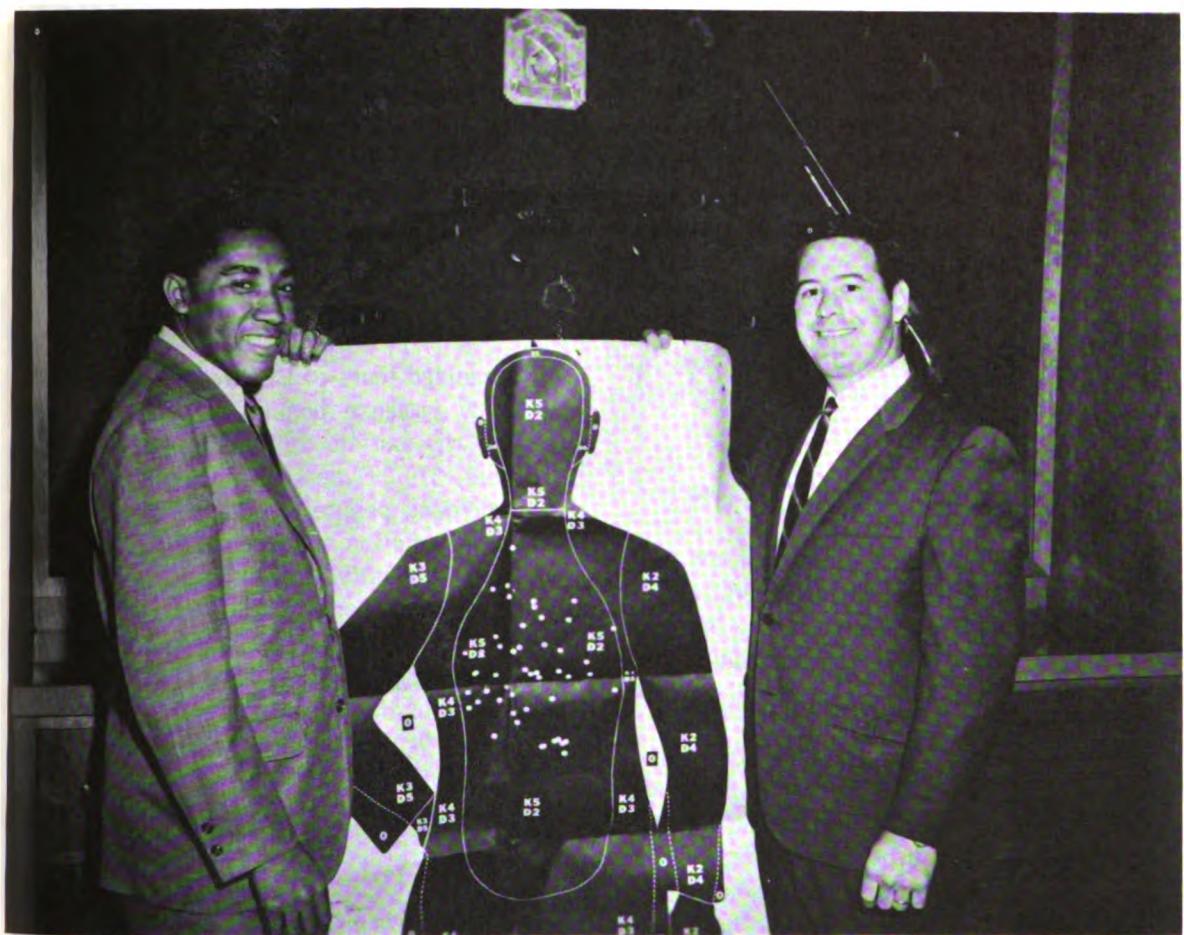


ORGANIZATION OF THE FBI

Divisions and Field Offices



1 ALBANY	11 CHICAGO	21 INDIANAPOLIS	31 MIAMI	41 OMAHA	51 SAN DIEGO
2 ALBUQUERQUE	12 CINCINNATI	22 JACKSON	32 MILWAUKEE	42 PHILADELPHIA	52 SAN FRANCISCO
3 ANCHORAGE	13 CLEVELAND	23 JACKSONVILLE	33 MINNEAPOLIS	43 PHOENIX	53 SAN JUAN
4 ATLANTA	14 COLUMBIA	24 KANSAS CITY	34 MOBILE	44 PITTSBURGH	54 SAVANNAH
5 BALTIMORE	15 DALLAS	25 KNOXVILLE	35 NEWARK	45 PORTLAND	55 SEATTLE
6 BIRMINGHAM	16 DENVER	26 LAS VEGAS	36 NEW HAVEN	46 RICHMOND	56 SPRINGFIELD
7 BOSTON	17 DETROIT	27 LITTLE ROCK	37 NEW ORLEANS	47 SACRAMENTO	57 TAMPA
8 BUFFALO	18 EL PASO	28 LOS ANGELES	38 NEW YORK	48 ST. LOUIS	58 WASHINGTON, D.C.
9 BUTTE	19 HONOLULU	29 LOUISVILLE	39 NORFOLK	49 SALT LAKE CITY	
10 CHARLOTTE	20 HOUSTON	30 MEMPHIS	40 OKLAHOMA CITY	50 SAN ANTONIO	



■ FBI Agents score firearms training target.

The FBI recruits its own personnel. All applicants for employment with the FBI must meet rigid requirements, and those with the necessary qualifications are afforded intensive background investigations to assess their suitability. Only those who meet these high standards are offered appointments, which begin with an extensive training program covering all aspects of the duties they are expected to perform. Training periods for new employees range from a few days for some clerical positions to 14 weeks for Special Agents. Training, however, is an unending process in the FBI. Refresher courses and a wide range of specialized training programs are

given periodically to all employees to insure that they are kept abreast of any new developments affecting their work.

INSPECTIONS

A highly trained staff of Inspectors is maintained for periodic and exhaustive examination into all aspects of the operations of each FBI field office, liaison post, and resident agency, as well as each of the divisions at FBI Headquarters. These inspections are designed to assure maximum efficiency and economy of operations, peak utilization of manpower and equip-

ment, correction of weaknesses, and discovery and evaluation of new techniques and procedures. Assisting the Inspectors in this most important function is a cadre of select Aides whose prior performance has merited their future consideration for advanced administrative and executive positions in the FBI. Through the wide experience afforded in every sector of FBI activities, the Inspection Staff thus serves as a training ground for the FBI's management development program.

During the fiscal year, the Inspection Staff conducted 80 inspections and 68 miscellaneous surveys and inquiries.

SPECIAL SERVICES

An increasing number of statistical and administrative functions at FBI Headquarters are being performed with modern data processing equipment. By a process of multiprogramming with this equipment, approximately \$25,000 per month has been saved during the fiscal year.

The highly skilled craftsmen and artists of the Exhibits Section at FBI Headquarters performed a wide variety of unique services during the fiscal year. Over 270 trial aids, such as charts, models, and photographic enlargements designed to assist FBI personnel in the presentation of testimony in court, were produced, an increase of nearly 77 percent over the previous year. A nearly 24 percent increase in the number of artists' conception drawings used by investigative personnel to identify unknown subjects was scored in contrast to the previous fiscal year. In keeping with the FBI's rapidly expanding training program, a record number of training aids, 1562, were produced, marking a 284 percent increase over last year's output.

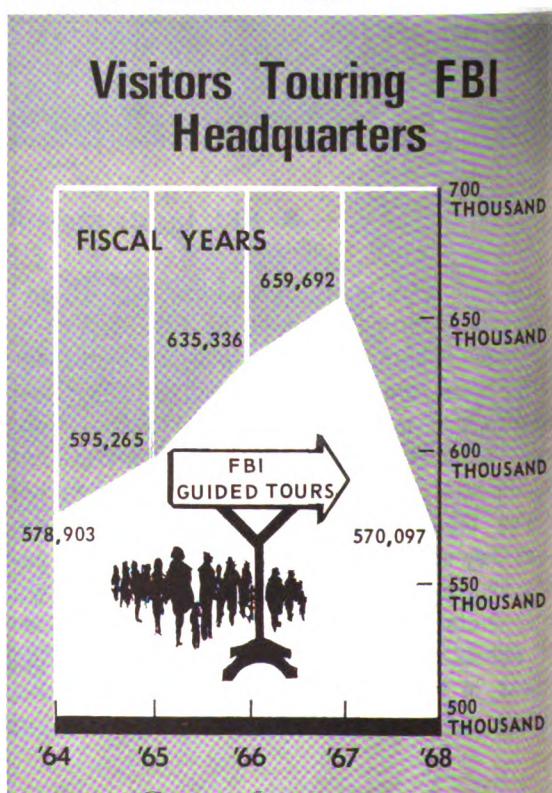
FILES AND COMMUNICATIONS

By the end of the fiscal year, the number of files retained at FBI Headquarters grew to over 5,617,000. Central to the operations of the FBI,

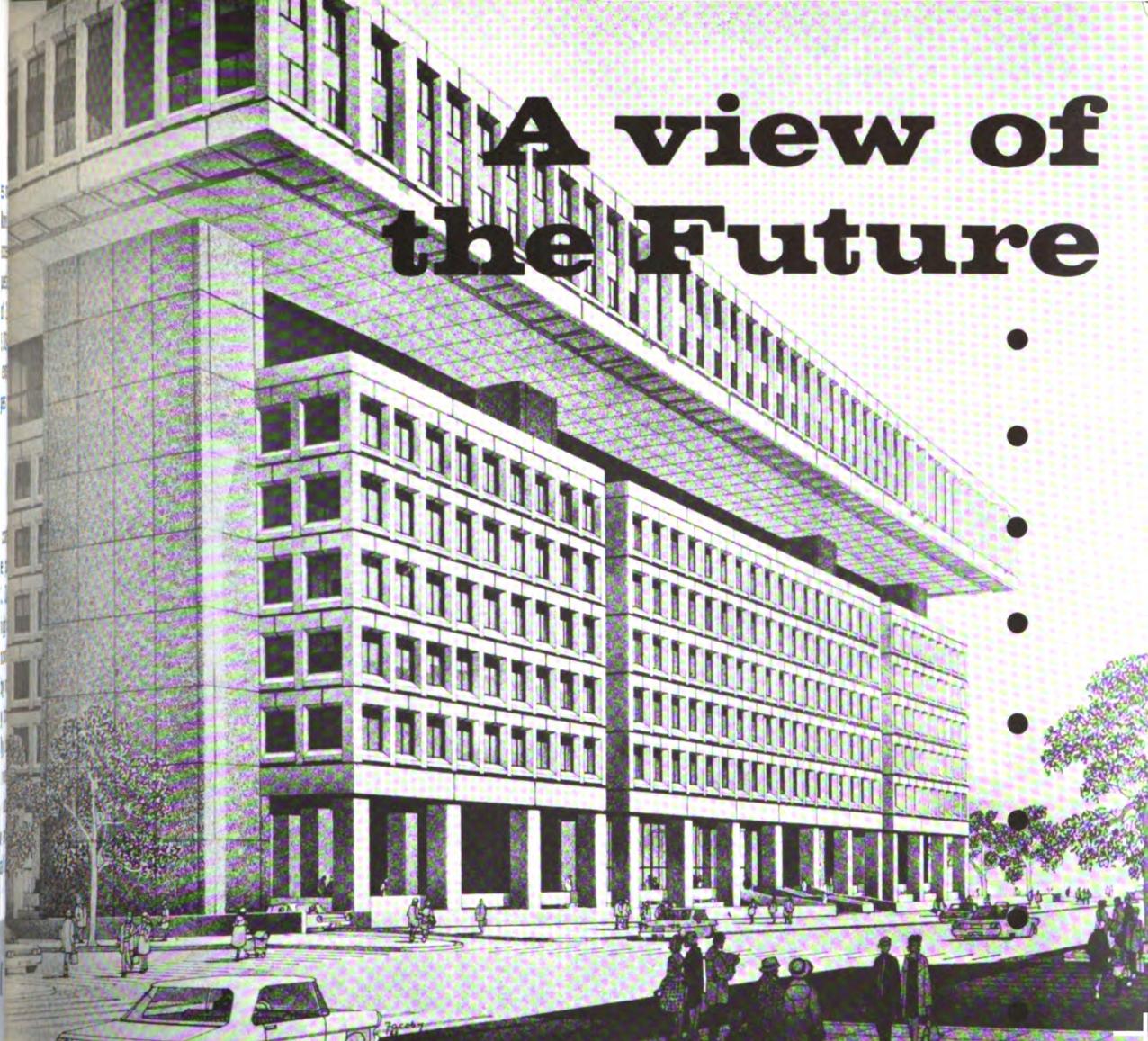
this vast reservoir of information relates mainly to subversive and criminal activities. More than 54,234,000 index cards provide ready access to this vital information. Name check requests for searches through these indices exceeded 2,802,000. Throughout the year, well over 3,034,000 pieces of mail and more than 210,700 expedite telegraph, teletype, and radio messages were handled at FBI Headquarters.

TOURS

Organized tours of FBI Headquarters continue to enjoy immense popularity among the public, particularly tourists to Washington, D. C. During the year, 570,097 persons, including a high number of young people, increased their knowledge of the jurisdiction and work of the FBI by means of these informative tours. Conducted by trained leaders, these tours, available on a daily basis, last approximately an hour and include a viewing of imaginative exhibits depicting the various activities of the FBI. Recently a new exhibit pertaining to the operation of the National Crime Information Center was added.



A view of the Future



New FBI Headquarters Design

Reproduced above is an artist's conception of the new FBI Headquarters Building now under construction. This view is along E Street from its intersection with Ninth Street, Northwest, Washington, D. C. Rising to seven stories on the Pennsylvania Avenue side and eleven stories on the E Street side, the Headquarters will house all FBI operations for the District of Columbia which are now scattered among seven locations in the city.

The design of the new FBI Building is symbolic of the strength and determination with which the FBI looks forward to its growing role of service to the Nation and the law enforcement profession.

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D.C. 20535

POSTAGE AND FEES PAID
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OFFICIAL BUSINESS

RETURN AFTER 5 DAYS

